

MAKERERE UNIVERSITY

**CUSTOMER RELATIONSHIP MANAGEMENT, INNOVATION CAPABILITIES AND
RADIO LISTENERS' LOYALTY:**

A Case of Radio Broadcasting Stations in Kampala District

By

KINTU MUNYAGWA AHMED GAMAL

Reg: 2013/HD10/2724U

e-mail: gamalkmu@yahoo.com

Mobile phone: +256702244211

**RESEARCH DISSERTATION SUBMITTED IN PARTIAL FULFILMENT OF THE
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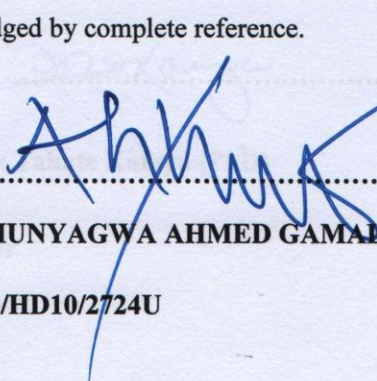
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October,

DECLARATION

I, KINTU MUNYAGWA AHMED GAMAL, declare to the best of my knowledge that this report is my original work which has never been published and/or submitted for any award in any other University and that all the sources that I have used or quoted have been indicated and acknowledged by complete reference.

Signed



Date

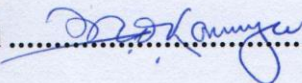
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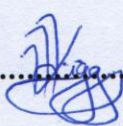
APPROVAL

This research work has been submitted with our approval as supervisors and our signatures are appended against the respective names below:

Signed  Date 10.10.2018

Dr. Moses Tahate Kanya (PhD)

Supervisor

Signed  Date 11th 10/2018

Mr. Musa Kiggwe

Supervisor

DEDICATION

This dissertation is dedicated to my mother Roza Nantale and other family members who looked forward to my success as their own and to my beloved Wife who meant and continues to mean so much to me.

ACKNOWLEDGEMENT

My sincere acknowledgment goes to the following persons whose contribution enabled me complete this dissertation;

My supervisors; Dr. Moses Tahate Kamyia and Mr. Musa Kiggwe for the patient guidance, encouragement and advice they have provided throughout my time as their student. My words cannot equate their efforts.

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Lastly, to all those who contributed in one way or another, financially, morally and otherwise, I am eternally grateful for their kindness and generosity extended towards me.

ABSTRACT

The purpose of the study was to examine the relationship between customer relationship management, innovation capability and customer loyalty in Uganda's radio broadcasting industry, focusing on Kampala district. The study objectives were four: to assess the level of listeners' loyalty in Kampala city; to establish the relationship between multi-dimensional customer relationship management and radio loyalty in the radio industry; to explore the relationship between multi-dimensional customer relationship and innovation capability in the radio industry and to establish the relationship between innovation capability and radio loyalty in the radio industry. The sample size was 312 respondents of these 207 responded giving a response rate of 66.3 percent.

The findings indicated that the level of listeners' loyalty was moderately low. Positive and significant relationships were found between the three relationship objectives of the study. These results imply that one, since the loyalty is moderately low listeners intend to switch from one station to another frequently and two, the more a radio station practices CRM the more likely it will develop its innovation capability. Furthermore, the multi-dimensional elements of CRM had significant and positive relationships with innovation capability and listeners' loyalty. It was recommended that radio stations use CRM technologies according to its appropriateness to the target audience and ensure that their staff embrace CRM and are trained to embrace it. Radio stations can enhance the growth of listeners' loyalty by developing appropriate innovation capabilities. The impact of presenters/DJs should be a source of competitive advantage.

TABLE OF CONTENTS

Topic	Page
Declaration	i
Approval	ii
Dedication	iii
Acknowledgement	iv
Abstract	v
Table of contents	vi
List of Tables	ix
List of Figures	x
Acronyms	xi
CHAPTER ONE: INTRODUCTION	1
1.1 Background to the Study	1
1.2 Statement of the Problem	2
1.3 Purpose of the Study	3
1.4 Research Objectives	3
1.5 Research Questions	4
1.6 Scope of the Study	4
1.6.1 Subject scope	4
1.6.2 Geographical scope	5
1.6.3 Time scope	6
1.7 Significance of the study	6
1.8 Conceptual framework	7

CHAPTER TWO: LITURATURE REVIEW	8
2.1 Introduction	8
2.2 Customer Relationship Management definitions and perspectives	8
2.3 Customer relationship Management and radio listener' loyalty	8
2.3.1 Strategic CRM and customer loyalty	8
2.3.2 Operational CRM and customer loyalty	10
2.3.3 Analytical CRM and customer loyalty	11
2.4 Innovation capability and customer loyalty	12
2.5 Radio loyalty strategies	15
CHAPTER THREE: METHODOLOGY	18
3.1 Introduction	18
3.2 Research Design	18
3.3 Study Population	18
3.4 Sample Size	19
3.5 Sampling Procedure	19
3.6 Data Sources	19
3.7 Data Collection Instrument	19
3.8 Measurements of Research Variables	20
3.9 Reliability and Validity analysis	20
3.10 Data Processing and Analysis	21
3.11 Anticipated Limitations of the Study	21

CHAPTER FOUR: PRESENTATION AND INTERPRETATION OF FINDINGS	22
4.0 Introduction	22
4.1 Descriptive characteristics of respondents	22
4.2 Results of the Study objectives	25
4.3 Regression Analysis	30
CHAPTER FIVE: DISCUSSION, CONCLUSION AND RECOMMENDATIONS	32
5.0 Introduction	32
5.2 Discussion of the Findings	32
5.2.1 The level of listeners' loyalty	32
5.2.2 The relationship between multi-dimensional customer relationship management and radio loyalty in the radio broadcasting industry	33
5.2.3 The relationship between multi-dimensional customer relationship and innovation capability in the radio broadcasting industry	34
5.2.4 The relationship between innovation capability and radio loyalty in the radio broadcasting industry	35
5.3 Conclusion	36
5.4 Recommendations	36
5.5 Areas for further research	37
References	39
Appendix 1: Questionnaire for Radio staff	

LIST OF TABLES

Table	Page
3.1 Reliability and Validity results	20
4.1 Gender of respondents	23
4.2 Age distribution of respondents	23
4.3 Positions held by respondents	24
4.4 Experience of respondents in Radio Broadcasting	24
4.5 Level of education attained by respondents	25
4.6 Summary results on the level of listener/customer satisfaction	26
4.7 Summary results on the level of customer retention	26
4.8 Summary results on the level of interpersonal relationship	27
4.9 Pearson Correlation matrix	28
4.10 Summary of the Regression coefficients	30

LIST OF FIGURES

Figure	Page
1.1 Conceptual framework	7

CRONYMS

CRM	Customer Relationship Marketing
Strategic CRM	Strategic Customer Relationship Marketing
Operational CRM	Operational Customer Relationship Marketing
Analytical CRM	Analytical Customer Relationship Marketing
SOA – CRM	Strategic Customer Relationship Marketing, Operational Customer Relationship Marketing, Analytical Customer Relationship Marketing
CLV	Customer Lifetime Value

CHAPTER ONE

INTRODUCTION

1.1 Background to the study

Radio Broadcasting industry consider listeners' loyalty as an important source of competitive advantage (Wang & WU 2012). Radio loyalty is a deeply held attitude and behavior to patronize a preferred service currently and in future despite situational influences and marketing efforts to cause switching behaviours (Arbone et al. 2009; Olive, 1999). From this perspective, interpersonal relationships among employees in providing the services, strong and positive experiences by listeners lead to highly satisfied listeners and listeners' retention (repurchase intentions) which are considered to be key elements for the success of building listeners' loyalty (Rothenberger, 2007).

Customer Relationship Management (CRM) as an integrated customer-centered approach under a tripartite of strategic CRM, operational CRM and analytical CRM (Payne & Frow, 2005). CRM is a critical success factor in guiding radio stations to focus on their customers, helps to identify, acquire and retain listeners enabling businesses to manage and coordinate customer interactions. Strategic CRM leverage listeners' knowledge and create value (Lin & Su, 2003). Operational CRM automates the business processes underpinning the day-to-day tasks across a range of customer touch points (Tan et al, 2002). Analytical CRM focuses on the intelligent mining of listeners' data for strategy or tactical purposes (Payne, 2006). As an integrated approach CRM encourages radio listeners to provide important suggestions for improving programs and services (Raman and Kumar, 2008; Drinkwater and Uncles, 2007). According to Drinkwatwe and Uncles (2007); Strandvik and Heinonen (2013) the effectiveness and efficiency

of CRM are increasingly recognized in the radio broadcasting industry as a means for developing innovation capability and providing long-term competitive advantages.

A radio station is innovative if it can assimilate and utilize external information for transfer into new knowledge that enhances its competitive advantages (Chen and Levinthal, 1990). For some radio stations in Uganda there is a deficiency in innovation as such radios depend on copying competitors (UAMPS, 2015). Radio programmes are easy to imitate making differentiation difficult to sustain.

Uganda Radio Broadcasting Industry has 267 private radio stations especially FM radios registered of which 61 are in Kampala District (UCC, 2014). With this number of radios the competition has become intense, neck-to-neck resulting into challenges to develop listener and/or customer loyalty. Accordingly some radio stations have closed or cut down on programs (MCIG, 2014).

1.2. Statement of the Problem

A number of radio broadcasting stations have in a period of three years (2013-2015) recorded between 3.4-5.7 percent decline in share of listenership in Kampala (Ipsos, 2014/2015, 2015/16; UAMPS, 2014, 2015 reports); this decline was above the industry average of 0.2-1.3 percent decline (Ipsos, 2015). Managers attributed the decline on one, the establishment of many new radio stations all targeting the some listeners with relatively little differentiation; two, the technological developments in the social media are providing similar services like advertising which would be a monopoly of the broadcasting industry and three, there is a lot of programme copying among radio stations. However, in the last three or four years the common strategy to

the challenges has been to increase station coverage areas in order to increase on the listeners which, have not yielded positive results as of now. It is on this note that this study examined the contribution of CRM and innovation capabilities on radio listeners' loyalty.

1.3. Purpose of this study

The purpose of the study was to examine the relationship between customer relationship management (as a tripartite of SOA-CRM), innovation capability and customer loyalty in Uganda's radio broadcasting industry focusing on Kampala District.

1.4. Research objectives

1. To assess the level of radio listeners' loyalty in Kampala city
2. To establish the relationship between customer relationship management and radio loyalty in the radio broadcasting industry.
3. To explore the relationship between customer relationship and innovation capability in the radio broadcasting industry
4. To establish the relationship between innovation capability and radio loyalty in the radio broadcasting industry

1.5. Research questions

1. What is the level of radio listeners' loyalty in Kampala city?
2. What is the relationship between customer relationship management and radio loyalty in the radio broadcasting industry?
3. What is the relationship between customer relationship and innovation capability in the radio broadcasting industry?
4. What is the relationship between innovation capability and radio loyalty in the radio broadcasting industry?

1.6. Scope of the study

1.6.1 Subject scope

The study examined Customer Relationship Management as a multi-dimensional construct (i.e. strategic CRM, Operational CRM and Analytical CRM), innovation capability and radio loyalty in Uganda's radio broadcasting industry focusing on radios in Kampala city. This study focused on internal-oriented strategic CRM, operations CRM and analytical CRM practices (McEvily and Marcus, 2006; Shine et al. 2005), innovation capability (Strachrik and Hernonen, 2013) and radio listeners' loyalty, as the dependent variable (Kenneth et al. 2012). This study was undertaken within the perspective of the management and employees, therefore, we adopted the organizational behaviour instead of the consumer/buyer behaviour approach (Walter et al. 2003). In this case, the data from employees is used as a surrogate measurement of customer satisfaction based on the empirical findings of Schneider & Bowen (2008), Hansemark & Albinsson (2004) and Johnson (1995). The terms listeners, audiences and

customers are used interchangeably in this study. Radio customers can also refer to advertisers and others who are not listeners.

The postulate link between satisfaction and loyalty rests on recently developing observations that highly satisfied customers/listeners share some similar characteristics with customers deemed loyal. For example, highly satisfied customers lack incentives to search for alternatives like loyal customers; face sunk costs associated in their interactions with a particular supplier/product like loyal customers; are less likely to be swayed by prices just like loyal customers and have developed strong emotional bonds and structural ties with their current supplier/product. This study had it in consideration that according to Iyer and Bejou, 2004 the impact of customer satisfaction on customer loyalty is evolving into a complex relationship.

Based on literature, for radio broadcasting the term retention is use interchangeably with repurchase intentions since listeners who consistently listen to a particular radio station and/or a program are regarded as being retained and ironically re-purchasing.

1.6.2 Geographical scope

The study covered Radio Broadcasting Stations in Kampala District. Kampala district was chosen because: one, it has very many radio stations than any other district in Uganda; two, Kampala being the capital of Uganda has a wider diversity of listeners (segments) and program; and three, management and employees working in Kampala for the different radio stations are more qualified and experienced.

1.6.3. Time scope

The study covered a period of three years 2013-2015 and any significant development that may have come-up thereafter was included and clearly stated.

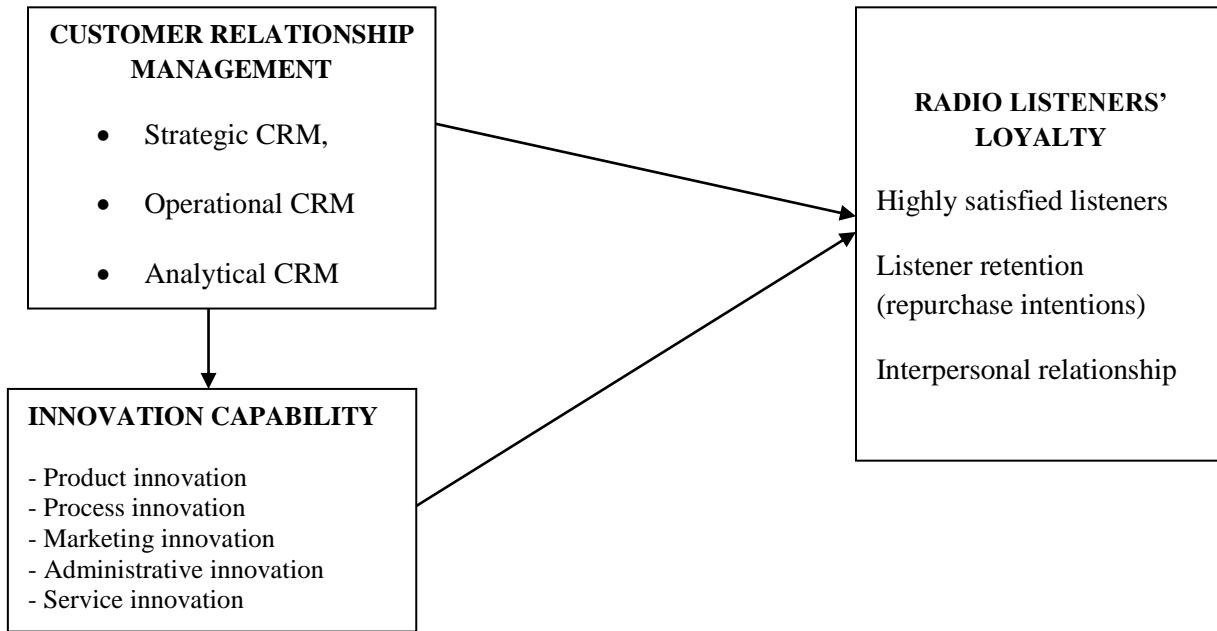
1.7. Significance of the study

1. The study will be of value to anyone interested in how a company's staff actually experience and value customer satisfaction, retention and interpersonal relationships.
2. The study gives a good insight on management of radio broadcasting and how to effectively compete for customer loyalty in the intense social media technology.
3. The study adds to the existing literature available on the subject for the benefit of further researcher and gaining an understanding on customer relationship management, innovation capability and radio loyalty.

1.8. Conceptual framework

The conceptual framework provided was guided this study:

Figure 1.1 Conceptual framework



Source: Chang & Lee, (2008); McEvily & Marcus, (2006); Shine et al. (2005); Kenneth et al. (2012); Arbore et al. (2009).

The conceptual framework shows that customer relationship management enhances customer loyalty when properly managed by a firm (McEvily & Marcus, 2006). In order to keep abreast with technological developments such as the social media, innovation capability becomes essential (Chang & Lee, 2008). A firm enjoys a competitive advantage if it has the ability to build a profitable customer loyalty base (Kenneth et al. 2012). Aydin and Ozer (2005) contend that highly satisfied customers and customer loyalty are not separable but rather synergistic.

CHAPTER TWO

LITERATURE REVIEW

2.1. Introduction

This chapter reviewed existing literature from previous studies carried out by different scholars on Customer Relationship Management, innovation and radio listenership loyalty.

2.2. Customer Relationship Management (CRM) definitions and perspectives

Customer relationship Management has been defined in many ways such as referring to issues of business strategy, customer life-cycle management processes, information technology, and communications strategy (Gummesson, 2002; Nancarrow et al, 2003). CRM is also seen as a multiple dimension construct, a combination between strategy and information technology (IT), between process and IT and between strategy, process and IT, and between process, strategy, philosophy, capability and IT (Zablah et al, 2004; Rigby et al, 2002). Given the diversity of definitions and perspectives several attempts have been made to produce taxonomies that recognize different forms of CRM. One such effort has identified and successfully tested a multi-dimensional CRM as a tripartite of strategic CRM, operational CRM and analytical CRM (Payne & Frow, 2005) and this is approach used in this study.

2.3. Customer relationship management and radio listeners' loyalty

2.3.1 Strategic CRM and customer loyalty

Strategic CRM encompasses the strategic development process and the value creation process, and therefore, answers such questions as “which customers do we serve?”, and “how do we

create and deliver value to these customers”? CRM as a core customer centric business strategy aims at winning and keeping profitable customers (Joo, 2007; Lin and Su, 2003). Plakoyiannaki and Tzokas (2002) explained that when CRM serves as a basic business strategy, it reflects a long-term vision of striving to create and deliver value to customers. A good Customer Relationship Management strategy can increase listener bases to various programs by improving relationships with audiences, thus enhancing radio loyalty (Arbore et al. 2009; Huang and Lin, 2005).

Payne and Frow (2005) noted that an important goal in strategic CRM is to align the broader business strategy with customer strategy. They suggest that an understanding of business strategy issues, such as corporate vision and industry and competitor profiles, can help an organization develop strategic CRM that is consistent in its own context. Customer strategy is concerned with aligning customer segments to relationship management strategies and therefore, the value creation process, business and customer strategy decisions are translated into implementation programmes that generate value for customers and organization alike (Buttle (2004). The value the customer – the listener - receives is delivered by the value proposition of the radio broadcasting organization. On the other hand radio broadcasting organizations generally strive to develop programmes they believe will meet the needs and expectations of listeners more effectively or efficiently than competing programmes.

In their study, Arbore et al. (2009) explored the relational role of a ‘key service employee’ like DJ in the radio industry. Key service employee – implies that customers perceive a relevant influence of that employee over the quality of the output (like radio programs) received. For radio stations DJs can be a critical factor for gaining competitive advantage in the radio industry, especially in programs where DJ-audience two-way interactions are facilitated by live airing of

listeners' telephone calls, SMS, e-mails and other social media channels. However, when the relationship with a specific employee is too strong, customers/listeners loyalty to the firm might be vulnerable if the employee leaves the organization (Palmatier et al. 2007). In this case, loyalty may exist at two relational levels: the collective level that is customer loyalty to the radio station, and the interpersonal level which is the customer loyalty to the key service radio employee.

The value the organization receives is the return on investment in the value creation process which leads to Customer Lifetime Value (CLV), a measure that can be used to indicate the customer's potential profit over a defined lifetime of transactions.

2.3.2 Operational CRM and customer loyalty

Operational CRM is focused on the management of the virtual and physical channels through which customers and organizations communicate and transact. It comprises the business processes and technologies that help improve the efficiency and accuracy of day-to-day customer-facing operations. This includes sales, marketing, and service automation. Sales force automation applies technology to the management of selling activities to optimize sales productivity by improving the speed and quality of information flow to improve internal communications between the sales force and management (Tan et al, 2002).

Xu & Walton (2005) observed that marketing automation applies technology to marketing processes to help organizations manage their marketing programs. Similarly, service automation allows organizations to automate their service operations, often with the objective of increased customer satisfaction by accelerating the inquiry and feedback processes across multiple communication channels. The general objective of operations CRM is to improve the efficiency

and effectiveness of customer management processes, by personalizing the relationship with customers, by improving organizational response to customers' needs (Xu & Walton, 2005) and, by increasing the speed and quality of information flows in the organization, and between the organization and its external employees and partners (Speier & Venkatesh, 2002).

2.3.3 Analytical CRM and customer loyalty

Analytical CRM uses technology to accumulate, store, organize, interpret, distribute, and exploit customer data. Customer information is analyzed to develop customer profiles and opportunities for better operational CRM applications (Payne, 2006). Customer information helps the organization to understand customer behavior better, to conduct the right transactions at the right time, and to be able to segment its market effectively.

Herschel (2002) identified several applications within Analytical CRM, including customer segmentation analysis, customer profitability analysis, 'what if' analysis, real-time event monitoring and triggering, campaign management, and personalization. Doyle (2002) also suggested other analytical tools such as, analysis of the characteristics and behavior of customers, modeling to predict customer behaviour, communications management with customers, personalized communications with customers, interactive management and optimization to determine the best combination of customers, products, and communications channels. Gebert et al, (2003) claim that data warehousing and data mining solutions are standard technology applications in Analytical CRM.

In addition, McEvily and Marcus (2005) suggested that firms like radio stations have to build mutual trust, information sharing, and joint problem solving with their listening audiences to

acquire competitive capabilities. Largrosen (2005) stressed the importance of customer involvement in operations, while Chen and Paulraj (2004) argued that communication and long-term relationship with customers are critical to the development of CRM that leads to customer loyalty. The four most popular CRM activities include: information sharing, customer involvement, joint problem solving, and technology-based CRM.

Analytical CRM systems can increase revenue in many ways, such as through cross-selling and up-sell campaigns, predicting which customers are most likely to buy, identifying high value customers, increasing brand awareness, and promoting customer satisfaction, loyalty and referrals (Swift, 2001). Key success factors for Analytical CRM system implementation have been identified as the empowerment of management through the sharing of customer information and strong teamwork between marketing and customer service leading to higher degrees of customer retention. The lack of an integrated view of customers, insufficient customer intelligence, inability to act on customer intelligence quickly and the lack of the awareness of the potential benefits of Analytical CRM (Xu & Walton, 2005) were identified as reasons for failure to implement Analytical CRM systems effectively.

2.4 Innovation capability and customer loyalty

Innovation capability is the ability of firms to assimilate and utilize both internal and external information for transfer into new knowledge (Cohen and Levinthal, 1990). Innovations that are satisfying are held in high esteem and demand, and very much promoted by word-of mouth (Rien, 2013).

There are two key aspects of innovation: the degree of innovation and the scope of innovation. The degree of innovation is differentiated into radical and incremental innovation. Radical innovation is a dramatic breakthrough in a new product, new market, or new technology (Green et al. 1995). Incremental innovation modifies current products, services, or technology to improve and upgrade function and radio performance. Yea, (2011) indicated that the consequences of innovation capability include customer satisfaction leading to customer retention, and eventually customer loyalty. The five most frequently studied innovation capabilities are: product innovation, process innovation, marketing innovation, service innovation and administrative innovation.

Product innovation is tightly linked to the primary activities of the company consisting of successful exploitation of new ideas. According to Liao et al. (2007) product innovation is the development and introduction of a new product to the market or the modification of existing products in terms of function, quality, consistency, or appearance. In the radio industry it is easy to imitate contents of programming, which are usually a combination of recorded music, news, sport, weather, commercials, interviews, and discussions. Hence, enduring differentiation in the radio industry is more properly achieved through format – the application of function to content (Hall, 2009), which is mainly done by DJs, because contents must be given credibility and cohesion through presentation by personalities.

As already mentioned that imitation of programs is easy in the radio industry, the marketing innovation by radio stations is focused on differentiation in presentation by DJs. As market competition intensifies in the radio industry, understanding existing audience need and forecasting future audience needs are essential in gaining radio loyalty. Focus on the customer is therefore the underlying goal for management of marketing innovation. The motivation of radio

stations would be in creating a marketing innovation culture (Lemon and Sahota, 2003), developing marketing innovation strategy (Ong et al. 2003) and acquiring external knowledge (Souitaris, 2002) is to create something new and valuable to their existing and/or potential audiences. Radio stations have to create identities for themselves through the use of their brand names in program promotions and on interactive websites.

A new service experience or service solution can consist of a new service, a new service portfolio and/or a new service process that individually or in combination defines a new way of creating value for the customer and foster customer loyalty. What matters for radio service innovators to be successful in the long run is not only being able to successfully launch a service innovation once, but to be able to introduce and exploit service innovations repeatedly. This allows radio stations that are innovators to adapt to their changing environment and stay competitive sustainably. Service innovation consists of one or several dimensions namely: new service concept, new customer interaction, new value systems/business partners, new revenue model, new organizational or technological service delivery system. Hence, Segers et al. (2007), suggests that a radio service business can innovate every single dimension, or a combination of the several dimensions.

Service innovators are to a much greater extent dependent on their (actual and potential) users for co-developing and co-producing new service propositions (Alam, 2002; Michel et al. 2008; Matthing et al. 2004). Therefore, understanding these users and their needs is a first priority. In this respect, two important sub-capabilities are signaling user needs on the one hand and technological options on the other. The first, and probably more important of the two in service context of radio broadcasting – is the capability to empathically understand users and sense their (potential) needs well in advance by interacting intensively with current and potential clients.

Dialogues with lead users, joint experimentation and prototyping, user panels, account managementsystems, client profiling, detailed analysis of how current services are used, trend analysis in client segments; are some of the tools used to sense user needs early on and cause service innovation. The second is the capability to signal new technological options (Kindstrom et al. 2009; Teece, 2007). Radio service innovators have to make sure they are informed about the latest potions that technologies offer in the broadcasting industry and related trades. This can be part of a business development function or an ICT department, making a group of employees responsible for scanning promising technologies and discussing new options with groups of technology providers (Bruni and Verona, 2009).

Administrative innovation according to Tsai (1997) refers to the innovation on projecting, organizing, staffing, leading, controlling and serving. In their research of administrative innovation, Liu et al (2001) suggest that under today's new competitive environment, radio firms have to resort to continual innovation if they wish to obtain a competitive advantage. For long-term success every department should continually be innovative to meet the demands of the customer. Cohen et al. (2014) argue that every department in every firm must keep up their innovation activities in order to sustain business growth and take the lead in the marketplace. The support of all higher levels of management is essential for administrative innovations to diffuse throughout the organization at large.

2.5 Radio loyalty strategies

Radio loyalty is a deeply held commitment to patronize a preferred radio services currently and in the future despite situational influence and marketing efforts to cause switching behaviour

(Arbone, et al. 2009; Olive, 1999). It has been argued that for loyal audiences and customers, radio stations must invest in relationship building and innovation capabilities. Building such relationships and innovative capabilities will also culminate to stronger loyalty (Arbone et al. 2009; Ndubisi et al. 2004). Customer relationship management (CRM) augments radio programs and results in an expected interchange between listeners, customers and radio stations. The more general concept of CRM describes the overall depth and climate of a relationship (Johnson, 1999). The term also refers to a customer's perception of how well the whole relationship fulfils the expectations, predictions, goals and desires the customer has concerning the whole relationship. Tejor (2016) concluded that customer-company CRM is an important prerequisite to successful long-term relations that leads to customer loyalty.

As markets become more competitive many companies have initiated a variety of strategies to improve radio loyalty. Highly satisfied listeners and retained (repurchasing) listeners through CRM and innovation practices have been recognized to be important strategies that foster radio loyalty. Indeed, the benefits associated with radio loyalty are widely recognized within the broadcasting industry. It is known that long-term customers are more likely to expand their relationship with the product range and so the rewards from this group are long-term and cumulative. Another widely perceived benefit is that repeat or behaviourily (like satisfied customers) loyal customers are also thought to act as information channels, informally linking networks of friends, relatives and other potential customers to the organization (Chang-Yu and Li-Wei, 2012). Provided the product or service does not cause dissatisfaction the consumer/listener is likely to continue purchasing the same brand due to loyalty and/or the level of satisfaction. Obstacles to loyalty also exist including consumer idiosyncrasies, multi-brand

loyalty, withdrawal from the product category, changes in need and switching incentives and variety seeking behaviours (Ndubisi et al. 2007).

Customer satisfaction and retention concepts from the employees' perspective

Customer satisfaction and retention are critical for many businesses, as they have an impact on their competitiveness and survival (Ruso et al. 2016). Any employee interacting with customers is in a position either to increase customer satisfaction (say to highly satisfied listener) or put it at risk. Employees in such positions should therefore, have the skills to respond effectively and efficiently to customer needs. It was observed by Pin-Fenn et al. (2014) that the experience and attitudes of employees in closest contact with customers are most likely to affect whether or not customers are satisfied and willing to retain the products or services of the company. It is also the employees in direct contact with customers who determine who the retained and highly satisfied customers are, and their experiences determine how they interact with the customers. According to June & Eun-mee (2013) many companies know very little about how employees in their companies experience the concepts of customer satisfaction and retention. Therefore, some scholars have empirically tested and proved the usefulness of adopting the organizational behavior in respect of satisfaction and retention instead of the common consumer/buyer behaviour approach (Schneider & Bowen (2008), Hansemark & Albinsson (2004), Walter et al. (2003) and Johnson (1995).

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter covers the methodology aspects of this study. It covers the research design, study population, sample size and sampling procedures; sources of data, data collection instrument, measurement of variables, results of validity and reliability and, data analysis.

3.2 Research Design

A cross sectional research design using quantitative techniques in the analysis of findings was adopted involving collection of data at one point in time. This research design is compatible with explorative studies which are not covering a very large area, as opposed to a whole country (Olsen et al. 2004). It also allows simultaneous descriptions of views, perceptions and beliefs at any single point that lead to unbiased generalization of the study findings. Furthermore, the design suit the nature of the study as it has been in previous similar studies.

3.3 Study Population

The study population was composed of 61 radio stations in Kampala District (UCC Annual Report 2016). For each radio station one employee from each of the following positions was targeted as respondent: managers, supervisors, sales people, technical staff, presenters/DJs and front-line staff. This means that for each radio station 6 employees were requested to participate in the survey.

3.4 Sample Size

With a total population of 61 radio stations and using Krejcie & Morgan (1970) Table the sample size was 52 radio stations. Listeners were the unity of inquiry and radio stations were the unity of analysis ($6 \times 52 = 312$ respondents).

3.5 Sampling procedure

The researcher employed a random sampling procedure to select a sample out of the population. Through the sampling procedure each radio from the population was given equal chance of being selected.

3.6 Data Sources

Primary Data and secondary data was used in this study. Primary data was obtained from employees using a self-administered questionnaire.

Secondary data was obtained from internal records of radio stations, existing literature in published international journals, libraries and other relevant sources.

3.7 Data Collection Instrument

Self-administered questionnaires were used to collect primary data from the radio employees. The questionnaire was designed in line with the study objectives and indicated the level of agreement anchored on 1- 5-point Likert scale.

3.8 Measurement of Research variables

The study variables are: customer relationship management, innovation capability and customer loyalty. Customer relationship management, that is: strategy CRM, operational CRM and analytical CRM was measured by adopting the research instrument used by Huang & Lin, (2005), for innovation capability the research instrument by Change & Lee, (2008) and Tsai (1997) were adopted. The instruments by Kenneth et al. (2012), Chung and Li (2012), and Arbore et al. (2009) were adopted for radio listeners' loyalty. The questionnaire items were anchored on 5-point Likert scale with 5 = strongly agree, 4 = agree, 3 = not sure, 2 = disagree and 1 = strongly disagree.

3.9 Reliability and Validity Analysis

Reliability and Validity tests were carried out using Cronbach Alpha Coefficient and Content Validity Index respectively. Reliability of a scale ensures that the measurement obtained by using the scale is stable and dependable (Neuman, 2006). According to Cronbach & Hartmann (1954), a Cronbach alpha coefficient of 0.7 and above is sufficient enough and all the coefficients of the study variables were above 0.7, hence deemed adequate. Validity assessed the degree to which the instrument measures the constructs that it is intended to measure (Peter, 1981) and the items yielded the Content Validity Index results above 0.7 as recommended by Lynn (1986).

Table 3.1 Reliability and Validity results

Variable	Items	Cronbach Alpha Coefficient	Content Validity Index
Customer Relationship Management	32	.876	.801
Innovation Capability	24	.851	.783
Radio listeners' loyalty	10	.783	.811

Source; Primary data

3.10 Data Processing and Analysis

After collecting data, the results were compiled, sorted, edited and classified and then entered into computer for analysis. Data was analyzed using statistical packages for social scientists Version. Descriptive statistics, frequency tables, mean figures, correlation matrix and regression analysis were used to satisfy the demands of the research objectives and therefore, come to a reasonable conclusion with recommendations that are worth implementing to improve these research study variables.

3.11 Anticipated limitations of the Study

Time and financial resources were the major limitations which required the researcher to limit the study to Kampala radio stations only. Another limitation came from respondents who were unwilling to participate in the study. The researcher tried to convince them to participate and emphasized their personal confidentiality.

CHAPTER FOUR

PRESENTATION AND INTERPRETATION OF FINDINGS

4.0 Introduction

This chapter is composed of the presentation and analysis of findings. It includes descriptive statistics of the sample; correlations and regression results as tested by the objectives of the study which were:

1. To assess the level of radio listeners' loyalty in Kampala city
2. To establish the relationship between customer relationship management and radio loyalty in the radio broadcasting industry.
3. To explore the relationship between customer relationship and innovation capability in the radio broadcasting industry
4. To establish the relationship between innovation capability and radio loyalty in the radio broadcasting industry

4.1. Descriptive characteristics of the respondents

In this section, the demographic characteristics of the sample under study are presented. These include gender, age distribution, position held, years of experience and level of education attained.

Table 4.1 Gender of respondents

Gender	Frequency	Percentage
Male	119	57.5
Female	88	42.5
Total	207	100.0

Source: Primary data

Results in Table 4.1 show that the majority of the respondents were male accounting for 57.5 percent while female respondents were 42.5 percent. This implies that both male and female employees participated in the study avoiding gender bias.

Table 4.2 Age distribution of respondents

Age – years	Frequency	Percentage
21 – 30	107	52.5
31 – 40	81	39.0
41 – 50	12	5.2
Above 50	7	3.3
Total	207	100.0

Source: Primary data

Table 4.2 results indicate that majority of the respondents were in the age group of 21 years to 40 years representing 91.5 percent, this is the recognized age bracket for the youth. Therefore, this means that the majority of the respondents were in their active years to respond to the questionnaire.

Table 4.3 Positions held by respondents

Position	Frequency	Percentage
Manager	26	12.6
Supervisor	36	17.4
Sales people	41	19.8
Technical staff	28	13.5
Presenters/DJs	44	21.2
Frontline staff	32	15.5
Total	207	100.0

Source: Primary data

Positions held by respondents are shown in Table 4.3 most of the respondents held the positions of presenters/DJs, sales people and supervisors with 21.2 percent, 19.8 percent and 17.4 percent respectively. These were followed by frontline staff with 15.5 percent. Technical staff were 13.5 percent of respondents and 12.6 percent were managers. These suggest that the respondents were in responsible positions that enabled them understand the questionnaire and provide appropriate answers to the question items.

Table 4.4 Experience of respondents in Radio Broadcasting

Experience – years	Frequency	Percentage
Less than 1 year	33	16.0
1-3 years	66	32.1
4-6 years	93	44.7
Over 7 years	15	7.2
Total	207	100.0

Source: Primary data

As shown in Table 4.4 the respondents have varied years of experience in radio broadcasting. The majority of respondents had 1 year to 6 years of experience (92.8 percent). 7.2 percent of respondents had over 7 years of experience. This would mean that all respondents were reasonably well experienced in radio broadcasting business. In addition to being well educated

(Table 4.5), we can infer that the respondents had the capacity to understand and self-administer the questionnaire providing well informed answers.

Table 4.5 Level of education attained by respondents

Level of education	Frequency	Percentage
Certificate	14	6.8
Diploma	102	49.1
Degree	56	27.1
Masters	14	6.8
Professional	21	10.2
PhD	0	-
Total	207	100.0

Source: Primary data

Table 4.5 shows that the majority of respondents were diploma holders with 49.1 percent followed by bachelor’s holders with 27.1 percent. For holders of master’s degree and professionals were 6.8 percent and 10.2 percent respectively. This means that respondents were well educated to respond on the subject matter.

4.2 Results of the Study Objectives

Objective 1: Level of radio listeners’ loyalty - within the perspective of management and employees of radio stations surveyed.

To assess the level of radio listeners’ loyalty the response from the respondents were attained and the Likert scale was used to rate their responses to the statements passed to them, the following were the results as presented below:

Table 4.6 Summary results on the level of satisfied listeners

Statements on listener/customer satisfaction	(4+5)	Strongly Agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)	(1+2)
We receive a number complementary messages from our listeners	21.3%	9.8%	11.5%	1.0%	24.6%	53.1%	77.7%
We receive a number of complaints from our listeners	90.0%	63.8%	26.2%	0.0%	7.7%	2.3%	10.0%
Our listeners promote us by word-of-mouth	47.6%	33.8%	13.8%	2.1%	27.7%	22.6%	50.3%
We constantly monitor listener/customer satisfaction	28.6%	11.4%	17.2%	1.4%	46.6%	23.4%	70.0%
Average Response Value	46.8%	29.7%	17.1%	1.1%	26.7%	25.4%	52.1%

Primary data

Table 4.6 shows that at least 46.8 percent of the respondents agreed to the statements about listener/customer satisfaction, 1.1 percent were neutral on the same statements and 52.1 percent of the respondents disagreed with the statements. With 46.8 percent agreement and 52.1 percent disagreement the level of listener/customer satisfaction is moderate requiring more efforts to develop listeners into highly satisfied listeners.

Table 4.7 Summary results on the level of customer retention (repurchase intentions)

Statements on customer retention	(4+5)	Strongly Agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)	(1+2)
Many listeners encourage us to continue with popular programs	57.7%	39.1%	18.6%	1.3%	27.9%	13.1%	41.0%
Many listeners encourage us to develop more programs on particular topics	42.4%	19.4%	23.0%	3.1%	24.2%	30.3%	54.5%
Our listener/customer retention rate has attracted many advertisers to our radio	41.5%	18.8%	22.7%	2.2%	31.1%	25.2%	56.3%
Average Response Value	47.2%	25.8%	21.4%	2.2%	27.7%	22.9%	50.6%

Primary data

The results in Table 4.7 Indicate that 50.6 percent of respondents disagreed with the statements on customer retention and 47.2 percent agreed with the statements. 2.2 percent of the respondents were neutral on the statements. This means that the respondents were of the view that not much has been done to retain listeners which require more to be done and improve on this low level of retention. It is also an indication that current strategies are not yielding appropriate positive results on customer retention. It also implies that listeners loyalty is still incomprehensible as retention (repurchasing intentions) is low.

Table 4.8 Summary results on the level of interpersonal relationship

Statements on interpersonal relationship	(4+5)	Strongly Agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)	(1+2)
Our listeners are encouraged to know our programs' presenters by their names	71.8%	41.6%	30.2%	0.0%	22.7%	5.5%	28.2%
Our listeners are encouraged to visit our radio on appointment to have a few minutes chat with some presenters/DJs/managers	20.6%	11.4%	9.2%	1.3%	44.0%	34.1%	78.1%
Our staff is encouraged to develop interpersonal relationship with our listeners/customers	40.3%	16.1%	24.2%	2.1%	41.7%	15.9%	57.6%
Average Response Value	44.2%	23.0%	21.2%	1.1%	36.1%	18.5%	54.6%
Radio listeners' loyalty Overall Average	Agreement = 46.2%				Disagreement = 52.4%		

Primary data

As indicated in the Table 4.8, 44.2 percent of the sampled staff and employees of radio stations in Kampala were in agreement with the statements on the level of interpersonal relations and 54.6 percent disagreed with the statements. This means that there is a negative gap in the level of interpersonal relationship.

In summary, the study findings have it that the level of listener/customer royalty is moderately low since only 46.2 percent (loyalty overall average) of the respondents agreed to the statements. Therefore, listeners' loyalty is low indicating that there is a problem that requires solutions to improve on listener loyalty.

To test for the relationships of the study objectives 2, 3 and 4, a Pearson moment correlation coefficient was used, and the results are shown below in Table 4.9.

Table 4.9: Pearson correlation matrix

	CRM 1	2	3	4	INN 5	6	7	8	9	10	LOY 11
CRM (1)	1										
<i>Strategic CRM(2)</i>	.179**	1									
<i>Operational CRM (3)</i>	.344**	.221**	1								
<i>Analytical CRM (4)</i>	.281*	.201**	.442**	1							
INNOVATION CAPABILITY (5)	.655**	.335**	.448**	.663**	1						
<i>Product Innovation (6)</i>	.166**	.123**	.371**	.618**	.440**	1					
<i>Process Innovation (7)</i>	.431**	.101*	.731**	.407**	.512**	.408**	1				
<i>Marketing Innovation (8)</i>	.377**	.194**	.410**	.641**	.366**	.351**	.464**	1			
<i>Administrative Innovation (9)</i>	.632**	.081*	.572**	.298**	.712**	.633**	.591**	.311**	1		
<i>Service innovation (10)</i>	.448**	.461**	.443**	.274**	.663**	.431**	.621**	.466**	.111**	1	
LISTNERS' LOYALTY (11)	.757**	.557**	.529**	.441**	.574**	.632**	.272**	.477**	.347**	.381**	1

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

* Correlation is significant at the 0.05 level (2-tailed)

Source: Primary data

Objective 2: The relationship between customer relationship management and radio loyalty in the radio broadcasting industry.

The results in Table 4.9 indicate a positive and significant relationship = 0.757**, p <0.01, between customer relationship management as a multi-dimensional construct with listeners'

loyalty. Furthermore, the multi-dimensional elements of CRM namely strategic CIM, operational CIM and analytical CIM are also found to have significant and positive relationships with listeners' loyalty i.e. $r = .567^{**}$ $p < 0.01$; $r = .441^{**}$, $p < 0.1$ and $r = .529^{**}$, $p < 0.01$ respectively. This means that any change in CRM will correspondingly affect listeners' loyalty and that even a change in any of the elements will result in changes of listeners' loyalty.

Objective 3: The relationship between customer relationship and innovation capability in the radio broadcasting industry

The results in Table 4.6 indicate a positive and significant relationship $r = 0.655^{**}$, $p < 0.01$, between customer relationship management as a multi-dimensional construct with innovation capability. This implies that the more a radio station practices CRM the more likely it will develop its innovation capability. CRM creates a close relationship with listeners which, enhances innovation. In addition, each of the multi-dimensional elements of CRM have established a positive and significant relations with innovation capability; that is: with strategic CRM $r = .335^{**}$ $p < 0.01$; with operational CRM $r = .448$ $p < 0.01$; and analytical CRM $.663^{**}$ $p < 0.01$; This means that any change in any of the se variables will result in changes in the area of innovation capability.

Objective 4: The relationship between innovation capability and radio loyalty in the radio broadcasting industry

The relationship between innovation capability and listeners’ loyalty in the radio broadcasting industry was found to be positive and significant $r = .574^{**}$ $p < .01$ (table 4,6). This means that radio stations that bother to develop their innovation capability are more likely to attract more listeners than those that are not innovative.

4.3. Regression Analysis

The regression analysis was undertaken in order to establish the predictive powers of the independent variables (strategic CRM, operational CRM and analytical CRM) and innovation capability on listeners’ loyalty. The results are shown in Table 4.7 below.

Table 4.10 Summary of the regression coefficients

Model 1	Unstandardized coefficients		Standardized coefficients	t	Sig
	B	Std dev	Beta		
(Constant)	1.137	.252		4.521	.000
CRM	.048	.075	.347	.301	.001
<i>Strategic CRM</i>	.246	.097	.211	1.433	.005
<i>Operational CRM</i>	.132	.072	.203	1.824	.011
<i>Analytical CRM</i>	.049	.067	.264	.742	.003
Innovation capability	.264	.062	.402	2.234	.000

a. Dependent variable: Listeners’ loyalty

R .664
R Square .440
Adj R Sq .418
R sq change .440

F change	19.51
Sig F Change	.000
Sig	.000

Table 4.10 indicates that all the variables in Model 1 were significant predictors or determinants of listeners' loyalty since their p-values are less than 0.05, that is $p < 0.05$. The most significant predictor or determinant of listeners' loyalty is innovation capability (beta .402, $p < .000$) followed by CRM (beta .347, $p < .001$). This implies that a radio station that is most innovative commands higher levels of listeners' loyalty. Therefore, investing in developing innovation capability will yield benefits to the station.

In the case of CRM variables, they are all predictors of listeners' loyalty with the most predictor being analytical CRM (beta .264, $p < 0.003$); followed by strategic CRM (beta .211, $p < 0.005$) and operational CRM (beta 0.203, $p < 0.011$). This means that radio stations that practice CRM will find it more beneficial to put more efforts on analytical CRM. This is the area where the innovation capability needs to be most developed. The overall contribution of the independent variables is 41.8 percent (Adjusted R square = .418); in other words, these variables are very important that for competitive purposes they can not be totally overlooked.

CHAPTER FIVE

DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This chapter discusses the findings presented and interpreted in Chapter Four in respect of customer relationship management, innovation capability and radio listeners' loyalty. The discussion is guided with references to previous empirical finding by other scholars. This is followed by conclusions and recommendations.

5.2. Discussion of the findings

5.2.1. The level of listeners' loyalty

The overall study results indicated that there was a moderate low loyalty of radio listeners with only 46.2 percent agreed to the statements provided compared to 52.4 percent of respondents who disagreed with the statements. In the case of each construct, for listener satisfaction 52.1 percent disagreed with the statements while 46.8 percent agreed with the statements. In the case of customer retention, 47.2 percent agreed with the statements and 50.6 disagreed. For interpersonal relationship the respondents that agreed with the statements were 44.2 and those who disagree were 54.6 percent.

These findings reveal that where the radio broadcasting industry has many stations there is a challenge to hold on to listeners with a wide choice of programmes. Therefore, listeners switch from one radio station to another depending on their interests. This is in line with a study by Bove & Johnson (2006) who concluded that radio listeners switched from one radio station to

others at ease. Strandvik & Heinonen (2013) established that managing market segments was a challenge for radio stations with intense competition and that most stations depended heavily on innovation into new programs to serve a variety of market segments.

5.2.2. The relationship between customer relationship management and radio loyalty in the radio broadcasting industry.

The findings of the study revealed that radio employees expressed a significant and positive relationship between CRM and radio listeners' loyalty ($r = .757^{**}$, $P < 0.01$). It was also established that CRM is a predictor of radio listeners' loyalty (beta .347, $p < .001$). These results are in line with the findings by Tzokas (2015) that CRM serves as a long-term competitive advantage to radio stations. The results are also supported by the findings Arbore et al. (2009) that improving CRM relationships with audiences enhance radio loyalty.

Furthermore, the results indicated that each of the multi-dimensional elements of CRM were positively and significantly related to radio listeners' loyalty i.e. with strategic CRM $r = .567^{**}$ $p < 0.01$, with operational CRM $r = .529^{**}$ $p < 0.01$; and with analytical CRM $r = .441^{**}$ $p < 0.01$.

The findings that strategic CRM has a positive and significant relationship with radio listeners' loyalty is supported by Buttle (2004) who found that aligning strategic CRM towards customers enables radio stations to improve on their listeners' retention. Buttle (2004) further noted that this relationship was a critical factor for gaining competitive advantage in the radio industry.

In their study Speier and Venkatesh (2002) found out that operational systems that were put in place with customers in mind improved the efficiency and effectiveness of customer

management processes which in turn helped in building listeners' loyalty. Xu and Walton (2005) findings are in line with the results that operation CRM has positive influence in determining radio listeners' loyalty. These findings show that when up-to-date technologies are applied in radio communication channels there is increased customer satisfaction leading to listeners' loyalty.

Empirical research findings by Swift (2001) established that analytical CRM increased customer satisfaction, loyalty and referrals which is in line with the findings of this study that strategic CRM positively and significantly influences listeners' loyalty.

5.2.3 The relationship between customer relationship and innovation capability in the radio broadcasting industry

The results showed that CRM and innovation capability relationship was positive and significant ($r = .655^{**}$ $p < 0.01$). These results are in line with Fuell (2016) who found out that radio stations in Mexico who introduced CRM five to three years ago were able to develop capacity in innovation which were paying off in retaining listeners and customers. Culors and Venett (2014) in India had results that support the findings of this study; introducing and managing CRM appropriately enhanced radio stations to become innovative as customer knowledge was acquired and interpreted in the interest of customer satisfaction and retention. Developing a customer focused culture through CRM enables radio firms to make use of technological advancements that are relevant to market growth. The positive relationship between CRM and innovation capability will enable the segmentation of the listeners' market so that innovations can be directed to particular segments of the market like the youth, the middle class, business

community, and other issues that are: social, political, educational, medical, agricultural, gender etc. in this way innovations will be tailored to the needs of a particular segment needs. The segmentation approach has been supported by a number of research studies on the belief that radio listeners are no longer a mass market that is not selective to radio programs.

5.2.4. The relationship between innovation capability and radio loyalty in the radio broadcasting industry

Innovation capability and listeners' loyalty have positive and significant relationship ($r = .574^{**}$ $p < 0.01$). This implies that appropriate developments in innovation enhance listeners' loyalty. Similar results were obtained by Jones (2015) with slightly a higher Pearson correlation value of $r = .601^{**}$ $p < 0.01$).

Furthermore, the results established that also each of the variables of innovation capability had positive and significant relationship with radio listeners' loyalty; that is with product innovation $r = .632^{**}$ $p < 0.01$, process innovation $r = .272^{**}$ $p < 0.01$, marketing innovation $r = .477^{**}$ $p < 0.01$, administrative innovation $r = .347^{**}$ $p < 0.01$, and service innovation $r = .381^{**}$ $p < 0.01$. Research studies on innovation capability have examined one variable or a combination, and/ or all variables as in this study. In the study by Yea (2011) it was found that innovation capability leads to satisfaction and eventually loyalty. Our findings in this study are supported by a number of empirical results. Kotres (2013) found strong relationships between innovation and customer loyalty. Jimze (2011) established that marketing innovation enhanced loyalty. Lokovik (2014) found that product innovation, marketing innovation and product innovation greatly enhanced listeners' loyalty in Spain. However, Paulline (2015) observed that improving one or two

innovation capabilities may not result in long-term competitive advantage and therefore, a need to develop multiple capabilities that support each other was a better approach. As Rien (2013) observed, innovations that are satisfying are held in high esteem and demand, and very much promoted by word-of-mouth.

5.3. Conclusion

The results of this study have established that if CRM is appropriately established and managed it improves listeners' loyalty. It was also established that CRM has a positive predictive power to enhance customer loyalty. Therefore, there is need for radio stations to develop strong CRM systems to make them competitive otherwise they risk poor listeners' loyalty. Innovation capability was found to be important in developing listeners' loyalty. As innovation capability had a number of variables it would be better to have an innovation that is with multi variables that support each other as such innovation has long-time competitive advantage.

5.4 Recommendations

Recommendations in respect of the finding are as follow:

1. Radio stations that are finding problems with listeners' loyalty should embrace CRM in their systems. Management must identify among the current technologies the one that is appropriate to their targeted listeners. Staff will have to be involved in the process as a way to have their support otherwise CRM will become costly and fail. Training of staff will be essential to ensure that operational costs are low.

2. Innovation capabilities that enhance the growth of listeners' loyalty be identified. Taking into consideration that primary target audiences may differ from station to station say religious, educational, youth, agricultural etc. each radio station has to identify a combination of innovation capability that are relevant in enhancing their primary target audiences and sometimes varied segments – multi-segmentation approach.

3. Radio stations need to identify their segments to enable them understand their satisfying needs and in this way target their programs accordingly. It will also help in identifying appropriate CRM technology to use and make up-dates at the right time.

4. During some of the interactive programs, presenters and DJs need to carry out Ad hoc research. Training of DJs and other presenters is necessary to avoid cases of misunderstandings with listeners who dislike participating in research questions. This means that when this idea is taken up the radio station has to avoid doing it in every program or continuously for a long period. A few questions are identified; say two or three short questions which are asked during interactive programs. The participating listener is told the purpose of the questions and seek acceptance to participate in the survey. This should be done at reasonable intervals and the findings interpreted for action.

5.5. Areas for further research

This same study can be repeated on a longitudinal approach based on a case study of a radio station that has CRM in place. Such a study will bring out the successes and challenges including may be causes of failure. Another area of study is the problem of imitation which is rampant in

the radio industry and subsequently devaluating innovation capabilities. How far is the law on copy rights protecting the innovation capability of radio stations against imitation practices?

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Appendix: 1**Makerere University Business School****QUESTIONNAIRE for Radio staff**

Dear respondent,

I am a student at Makerere University Business School pursuing an MBA degree and I am carrying out a Research Project on **Customer Relationship Management, Innovation Capabilities and Listeners' Radio Loyalty**. This study is purely academic and you have been selected to participate. You are requested to answer the questions as indicated below. All your information will be kept with utmost confidentiality and information from this study will be generalized that participants will not be individually identified. Your voluntary participation is highly appreciated.

Section A: General information: Tick the RIGHT answer**1. Gender**

Male	Female
1	2

2. Age (years)

Below 20	21-30	31-40	41-50	Above 51
1	2	3	4	5

3. Position held

Manager	Supervisor	Sales person	Technical staff	Presenters/DJs	Front line staff
1	2	3	4	5	6

4. Experience in Radio Broadcasting

Below 1 year	1-3years	4-6 years	Over 7 years
1	2	3	4

5. Level of education attained

Certificate	Diploma	Degree	Masters	Professional	PhD
1	2	3	4	5	6

Section B: Customer Relationship Management

In this section are statements concerning Customer Relationship Management (CRM) practices at your radio station. Please indicate (by ticking) how much you “agree or disagree” with each of the statement given below, based on the following scale:

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
5	4	3	2	1

ST	Strategic CRM	-	-	-	-	-
S1	An important objective of our CRM program is to enhance the lifetime value of our listeners and other customers	5	4	3	2	1
S2	An important objective of our CRM program is to improve our understanding of listeners’ needs, expectations, and preferences	5	4	3	2	1
S3	An important objective of our CRM program is to lift listeners’ satisfaction and retention levels	5	4	3	2	1
S4	CRM provides the basis for our competitive advantage	5	4	3	2	1
S5	Our CRM strategy aims to win and keep carefully chosen listeners or listener segments	5	4	3	2	1
S6	Our CRM strategy creates mutual benefits for both listeners and company	5	4	3	2	1
S7	Our company uses CRM to create a listeners-focused business culture	5	4	3	2	1
S8	Our company uses CRM to ensure that all our employees understand which listener we want to serve	5	4	3	2	1
S9	Our company uses CRM to help us be more listener focused than our competitors	5	4	3	2	1
S10	Our company uses CRM to find better ways of offering listeners more value	5	4	3	2	1
OP	Operational CRM	-	-	-	-	-
O1	An important objective of our CRM program is to enable us to adapt our programs to suit different listeners’	5	4	3	2	1

	requirements					
O2	An important objective of our CRM program is to enable us to select the most appropriate communication style for interaction with listeners	5	4	3	2	1
O3	An important objective of our CRM program is to help our marketing people/DJs/presenters run more effective and efficient campaigns	5	4	3	2	1
O4	An important objective of our CRM program is to help our sales people to have more effective and efficient interactions with listeners	5	4	3	2	1
O5	An important objective of our CRM program is to improve collaboration with our listeners and other customers	5	4	3	2	1
O6	An important objective of our CRM program is to improve the productivity of our staff	5	4	3	2	1
O7	An important objective of our CRM program is to reduce the cost of our customer-interface operations	5	4	3	2	1
O8	An important objective of our CRM program is to deliver consistent listener experiences across all programs	5	4	3	2	1
O9	Our company uses CRM to automate customer service processes to make them more efficient and effective	5	4	3	2	1
O10	Our company uses CRM to automate marketing processes to make them more efficient and effective	5	4	3	2	1
O11	Our company uses CRM to automate selling processes to make them more efficient and effective	5	4	3	2	1
AN	Analytical CRM	-	-	-	-	-
A1	An important objective of our CRM program is to create a comprehensive customer/listener-related database	5	4	3	2	1
A2	An important objective of our CRM program is to deliver listener/customer data to our staff at the right time so that they can cross-sell and up-sell customers	5	4	3	2	1
A3	An important objective of our CRM program is to deliver listener/customer data to our front-line staff so that they can sell, market and service our customers more effectively	5	4	3	2	1
A4	An important objective of our CRM program is to enable us to conduct intelligent analysis of listener/customer data to guide our program presentations	5	4	3	2	1
A5	An important objective of our CRM program is to ensure that analysis of listener/customer-related data underpins all our listener/customer interactions	5	4	3	2	1
A6	An important objective of our CRM program is to improve our ability to conduct real-time analyses of data when interacting with listeners/customers	5	4	3	2	1

A7	An important objective of our CRM program is to improve our forecasting capabilities	5	4	3	2	1
A8	An important objective of our CRM program is the use of analytical tools to make sense of, and profit from, listener/customer data	5	4	3	2	1
A9	Our company uses CRM to enable us to obtain a competitive advantage from listener/customer data	5	4	3	2	1
A10	Our company uses CRM to help us identify high-value listeners/customers	5	4	3	2	1
A11	Our company uses listener/customer information to construct listener/customer profiles which are used to improve the consistency of the listener's/customer's experience	5	4	3	2	1

Section C: Innovation Capabilities

In this section are statements concerning Innovation Capabilities at your radio station. Please indicate (by ticking) how much you “agree or disagree” with each of the statement given below, based on the following scale:

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
5	4	3	2	1

PD	Product (Program) Innovation	-	-	-	-	-
PD 1	Our company launches new products (programs)	5	4	3	2	1
PD 2	Our company extends numbers of product/program lines	5	4	3	2	1
PD 3	Our company engages in New Program/product Development (NPD) to obtain patents	5	4	3	2	1
PD 4	With NPD, our company enlarges new markets	5	4	3	2	1
PD 5	Our company launches customized products/programs according to market demands	5	4	3	2	1
PC	Process Innovation	-	-	-	-	-
PC 1	Our company imports new process technology	5	4	3	2	1
PC 2	Our company obtains process technology patents	5	4	3	2	1
PC 3	Our company adopts advanced CAD/CAM equipment	5	4	3	2	1
PC 4	Our company adopts advanced real-time process control technology	5	4	3	2	1
PC 5	Our company imports advanced automatic quality restriction equipment/software	5	4	3	2	1
PC 6	Our company imports advanced programmable equipment	5	4	3	2	1
AI	Administrative Innovation	-	-	-	-	-
AI 1	Our company adopts innovative reward systems	5	4	3	2	1

AI 2	Our company adopts innovative work designs	5	4	3	2	1
AI 3	Our company adopts innovative administration aiming at NPD	5	4	3	2	1
AI 4	Our company engage in organizational reconstruction for pursuing operational efficiency	5	4	3	2	1
AI 5	Our company engages in business process re-engineering	5	4	3	2	1
MI	Marketing Innovation	-	-	-	-	-
MI 1	Our company leads innovative pricing methods in markets	5	4	3	2	1
MI 2	<i>Our company leads innovative distribution methods to markets</i>	5	4	3	2	1
MI 3	Our company leads innovative promoting methods to markets	5	4	3	2	1
MI 4	Our company continually enlarges potential demand markets	5	4	3	2	1
MI 5	Our company utilizes advanced CRM systems in markets	5	4	3	2	1
SI	Service Innovations	-	-	-	-	-
SI 1	Our company imports innovative warranty and maintenance systems for enhancing customer satisfaction	5	4	3	2	1
SI 2	Our company imports innovative claim clearing procedures and methods for enhancing customer satisfaction	5	4	3	2	1
SI 3	Our company imports innovative before-sale or after-sale service methods for enhancing customer satisfaction	5	4	3	2	1
SI 4	Our company adopts innovative order management and follow-up systems	5	4	3	2	1

Section D: Radio Loyalty

In this section are statements concerning assessment of listeners' loyalty towards your radio station. Please indicate (by ticking) how much you “**agree or disagree**” with each of the statement given below, based on the following scale:

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
5	4	3	2	1

CS	Level of satisfied listeners/customers	-	-	-	-	-
CS 1	We receive a number complementary messages from our listeners	5	4	3	2	1
CS 2	We receive a number of complaints from our listeners	5	4	3	2	1
CS 3	Our listeners promote us by word-of-mouth	5	4	3	2	1
CS 4	We constantly monitor listener/customer satisfaction	5	4	3	2	1
CR	Listener/customer retention (repurchase intention)	-	-	-	-	-

CR 1	Many listeners encourage us to continue with popular programs	5	4	3	2	1
CR 2	Many listeners encourage us to develop more programs on particular topics	5	4	3	2	1
CR 3	Our listener/customer retention rate has attracted many advertisers to our radio	5	4	3	2	1
IR	Interpersonal relationship	-	-	-	-	-
IR 1	Our listeners are encouraged to know our programs' presenters by their names	5	4	3	2	1
IR 2	Our listeners are encouraged to visit our radio on appointment to have a few minutes chat with some presenters/DJs/managers	5	4	3	2	1
IR 3	Our staff is encouraged to develop interpersonal relationship with our listeners/customers	5	4	3	2	1

Thank You for Participating in this Survey