

MARKET PENETRATION STRATEGIES AND CUSTOMER RETENTION IN THE HOSPITALITY INDUSTRY IN BAYELSA STATE, NIGERIA

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ABSTRACT

This study investigates the relationship between market penetration strategies, and customer retention in the hospitality industry in Bayelsa State, Nigeria. The study was guided by three specific objectives, three research questions and three hypotheses. The correlation design was adopted in the study. The study population comprised customers patronizing hospitality establishments in Bayelsa State, Nigeria. The total number of people that made up the population of the study was 10,000 customers based on the annual footfall data of hospitality establishments in Bayelsa State. A stratified random sampling technique was employed to select a representative sample of customers from different hospitality establishments in Yenagoa metropolis of Bayelsa State. The sample size was determined using a confidence level of 95% and a margin of error of 5%, resulting in a sample size of 385 respondents. A structured questionnaire was used as the primary instrument for data collection. The reliability of the questionnaire was tested using the Cronbach's alpha coefficient, which yielded a coefficient of 0.87, data were analyzed using statistical software, such as SPSS (Statistical Package for the Social Sciences). The findings indicate that price penetration strategies, market promotional strategies, and market segmentation strategies all play significant roles in influencing customer retention. Customers express a preference for competitive pricing, promotional offers, and tailored services, which contribute to their satisfaction and likelihood of return to hospitality establishments. Based on these findings, recommendations are provided to hospitality businesses in Bayelsa State to improve customer retention and foster long-term relationships with their clientele.

INTRODUCTION

Market penetration is both a measure and a strategy (Anyanga & Nyamita, 2016). According to them, a business will utilize a market penetration strategy to attempt to penetrate in an existing market. The goal is to get in quickly with the product or service and capture a large share of the market. Market penetration is also a measure of the percentage of the market that an organizational product or service is able to capture. A marketing penetration strategy involves increased sale of already existing products to a market that is already in existence. This is in an effort to acquire a bigger market share than the organization's competitors (Mills & Morris, 2015). In this regard, market penetration offers the organizations an opportunity to increase both their sales as well as revenue. Market penetration strategy is the least risky since it leverages many of the firm's existing resources and capabilities (Vasu & Jayachandra, 2014). However, market penetration has limits, and once the market approaches saturation another strategy must be pursued if the firm is to continue to grow (Manketelove, 2016). Growth is something for which most companies strive, regardless of their size. Strategic planning is essential for firms operating in a complex, turbulent environment. Managing growth effectively requires that new products fit within the firm's mission, organizational strengths and existing product

A penetration strategy is an institutional arrangement that a firm uses to market its product. It also refers to the extension of ownership of a firm to cover new markets, new sources of materials and new stages of the production process (Bierderman, 2017). The choice of penetration mode is done at firm level after evaluating the various options and their inherent risks and is therefore a strategic decision for the firm (Otoki, 2012). According to Healey (2013) marketing strategy is viewed by many authors as the most critical framework that helps organization know where it should concentrate its infinite resources in order to accrue the most

benefits and maintain a significant competitive advantage. Coping with the increasingly competitive environment has called on firms to rethink their marketing strategies. Firms respond to competition in different ways. Some may opt to product improvement, divestiture and diversification, entry into new markets or even emerging or buying out competitors (Scandula & Williams 2015). Some of these organizations have undertaken their transformation efforts quite successfully. On the other hand, other firms have experienced disappointing results with new strategies not well implemented. Acquisitions that have not achieved expected synergies, reengineering and downsizing that have largely failed and quality programs that have not reached the position hoped for (Njogu, 2014: Market penetration strategy can be implemented by offering sales, increasing sales force, increase distribution and promotion of products, increased expenditure in marketing and advertising activities will results in increasing sales (Koks & Kilika, 2016). It is not guaranteed that market penetration works after investing in sales and marketing of products and service, therefore a firm should go for this strategy only if the current market is not fully saturated, market share of the competitors are decreasing whereas the industry growth rate is increasing, existing buyers have the potential to purchase same products and services in more quantity, when economies of scale provides competitive edge

In the fiercely competitive hospitality industry of Bayelsa State, Nigeria, effective market penetration strategies are imperative for sustainable business growth and profitability. According to Alkali, Abubakar, & Adamu (2019), market penetration involves increasing market share within existing segments through aggressive pricing, promotion, and distribution strategies. In Bayelsa State, where the hospitality sector is burgeoning, businesses need to employ innovative approaches to penetrate the market effectively. However, amidst stiff competition, market penetration strategies and customer retention have emerged as pivotal areas for sustainable business growth and profitability. This study aims to explore the effectiveness of various market penetration strategies and their impact on customer retention within the hospitality industry in Bayelsa State, Nigeria.

Statement of the Problem

The hospitality industry in Nigeria, faces a myriad of challenges concerning market penetration strategies and customer retention. Despite the sector's significant contribution to the state's economy, businesses within the hospitality industry encounter difficulties in effectively penetrating the market and retaining a loyal customer base. The market saturation and intense competition within the hospitality sector pose considerable hurdles for businesses seeking to penetrate the market. According to research by Alkali, Abubakar, & Adamu (2019), the proliferation of hotels, restaurants, and resorts in Bayelsa State has led to heightened competition, making it challenging for new entrants and existing establishments alike to gain a significant market share. As a result, businesses struggle to differentiate themselves and attract customers amidst the crowded marketplace.

Moreover, the lack of effective market penetration strategies further exacerbates the problem. Many hospitality establishments in Bayelsa State lack a coherent approach to penetrate the market, relying solely on traditional marketing tactics without considering the evolving preferences and behaviors of consumers. This is echoed by Olayinka and Elegunde (2018), who emphasize the importance of strategic pricing and promotion in gaining a competitive edge and expanding market presence. Furthermore, customer retention poses a persistent challenge for hospitality businesses in Bayelsa State. Despite their efforts to attract guests, many establishments struggle to retain customers and foster long-term relationships. Adeyemi and Adeyinka (2021) highlight the impact of service quality on customer satisfaction and loyalty, emphasizing the need for businesses to prioritize exceptional service delivery to enhance retention rates. In light of these challenges, there is a pressing need to examine the effectiveness of market penetration strategies and their relationship with customer retention in the hospitality industry in Bayelsa State, Nigeria.

Aim and Objectives of the Study

The aim of this study is to examine nine market penetration strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria. The specific objectives of the study are to

1. Determine the relationship between price penetration strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria
2. Determine the relationship between market promotional strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria
3. Determine the relationship between market segmentation strategy and customer retention in the hospitality industry in Bayelsa State, Nigeria

Research Questions

The following research questions guided the study.

1. What is the relationship between price penetration strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria ?
2. What is the relationship between market promotional strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria
3. What is the relationship between market segmentation strategy and customer retention in the hospitality industry in Bayelsa State, Nigeria

Hypotheses:

The study formulated the following null hypotheses.

1. There is no significant relationship between price penetration strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria
2. There is no significant relationship between market promotional strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria
3. There is no significant relationship between market segmentation strategy and customer retention in the hospitality industry in Bayelsa State, Nigeria

Literature Review

Market Penetration

Market penetration is a strategy employed by firms to increase their market share within existing markets. Green, Barclay, and Ryans (2015) define market penetration strategy as an institutional arrangement used by a firm to market its product. Onimbo (2014) extends this definition, describing market penetration as the extension of a firm's ownership to cover new markets, sources of materials, or stages of the production process. Furthermore, Sije and Oloko (2013) view market penetration strategy as an effort to increase company sales without deviating from the original product-market strategy. Luoma (2015) characterizes it as a growth strategy focusing on selling existing products into existing markets. Market penetration aligns with Ansoff's growth strategic decisions, aiming to create more shares within existing markets (Uko & Ayatse, 2014). The strategy concentrates on gaining market competitiveness and achieving sustainable market share (Hutzschenreuter et al., 2014). It involves increasing business activities by maintaining sales to current customers and seeking potential customers without changing the primary market and product strategy. Business organizations can achieve growth through market penetration, especially when linked with a competitive strategy (Washington, 2014). Bunyiza (2020) suggests various methods to implement market penetration, including offering sales, increasing the sales force, expanding distribution, and promoting products, along with increased expenditure in marketing and advertising activities. However, Aremu & Lawal (2012) caution that success with market penetration strategy is not guaranteed. Firms should only pursue this

strategy if the current market is not fully saturated, competitors' market share is decreasing, and industry growth rate is increasing, with potential for increased purchases from existing buyers and economies of scale providing a competitive edge.

Price Penetration Strategy and Customer Retention in the Hospitality Industry

Price penetration strategy plays a crucial role in customer retention, especially in the hospitality industry. Kotler (2011) defines price as the cost of producing, delivering, and promoting a product charged by the organization. Wainaina & Oloko (2016) establish a significant relationship between price penetration strategy and market share, emphasizing the role of price in marketability. A firm utilizing penetration pricing prices its product or service below the long-range market price to gain rapid market acceptance or increase market share (Uchegbulam et al., 2015). Pricing strategy is a critical element in marketing and competitive strategy, significantly impacting market share (Marketelove, 2014). It is key to attracting and capturing demand and optimizing the product's true worth in the market (Yeoman and McMahon, 2010). Penetration pricing strategy is effective in gaining a breakthrough in a highly competitive market or introducing a completely new product (Chalita et al., 2013). The ultimate objective of this strategy is to maximize profits while allowing the product or brand to gain a foothold in the market (Muriuki, 2013).

Promotional Strategy and Customer Retention in the Hospitality Industry

Promotional strategies are vital for customer retention in the hospitality industry. Market promotional strategy involves communication activities aimed at promoting products, ideas, or services to reach the final consumer (Njogu, 2014). Promotion affects knowledge, attitudes, and behavior, providing target audiences with accurate information to facilitate decision-making. Ongonga (2014) highlights the importance of promotion in the market exchange process, influencing sales volume and marketing efforts' efficiency and effectiveness (Osuagwu, 2012). Successful promotion is essential for attracting consumers' attention towards products or services, enhancing market success (Khaled, 2012). Establishing and maintaining communication with target market segments are primary tasks assigned to marketing promotion (Muga & Santamaria, 2010).

Market Segmentation Strategy and Customer Retention in the Hospitality Industry

Market segmentation is critical for customer retention in the hospitality industry. Kotler (2011) defines market segmentation as the process of dividing a market into distinct groups of buyers with unique needs or behaviors. Abeck (2017) observes that market segmentation matches marketing programs to customer behavior, aiming to expand firm market size. To achieve sustainable development, firms must devise market segmentation strategies to address environmental forces and satisfy customer needs efficiently and profitably (Healey, 2013). Market segmentation is a customer-oriented tool that identifies and satisfies customer needs within the same market segment, aiming to expand firm market size (Sindhu, 2011). Firms must evaluate resources to fulfill differentiation according to different segments and ensure segmentation and differentiation efforts compensate for increased firm size (Hooley et al., 2008).

Customers Retention

Customer retention refers to the strategies and actions taken by businesses to retain existing customers and encourage repeat purchases or continued patronage (Reichheld, 2016). In the highly competitive hospitality industry, customer retention is vital for sustaining profitability and maintaining a competitive edge. Research indicates that retaining customers can be more cost-effective than acquiring new ones, as loyal customers tend to spend more and are more likely to recommend the business to others (Reichheld & Sasser, 2020). Effective customer retention strategies involve understanding customer needs and preferences, building strong relationships, and providing exceptional experiences. Personalization plays a crucial role in customer retention, as it demonstrates that the business values and understands its customers (Hennig-Thurau et al.,

2020). By collecting and analyzing customer data, businesses can tailor their offerings and interactions to meet individual preferences, thereby increasing customer satisfaction and loyalty. Moreover, consistent communication and engagement with customers are essential for retention. This includes providing timely responses to inquiries or feedback, offering exclusive deals or rewards to loyal customers, and maintaining an active presence on social media platforms (Blazevic & Lievens, 2018). By staying connected with customers and keeping them informed about new products, promotions, or events, businesses can strengthen their relationships and encourage repeat business. Furthermore, delivering excellent customer service is paramount for retention. Studies have shown that customers are more likely to remain loyal to businesses that provide exceptional service experiences, even if they encounter occasional problems or issues (Verhoef et al., 2019). Training staff to deliver personalized, attentive service and resolving customer complaints promptly and satisfactorily can significantly impact retention rates.

METHODOLOGY

The study adopted a correlational research design to examine market penetration strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria. The study was conducted in Bayelsa State, Nigeria, focusing on various hospitality establishments including hotels, restaurants, and resorts. The population of the study comprised customers patronizing hospitality establishments in Bayelsa State, Nigeria. The total number of people that made up the population of the study was estimated to be approximately 10,000 customers based on the annual footfall data of hospitality establishments in Bayelsa State. A stratified random sampling technique was employed to select a representative sample of customers from different hospitality establishments in Yenagoa metropolis of Bayelsa State. The sample size was determined using a confidence level of 95% and a margin of error of 5%, resulting in a sample size of 385 respondents. A structured questionnaire was used as the primary instrument for data collection. The questionnaire comprised 4 point Likert scale questions on strongly agree to strongly disagree to gather quantitative data on market penetration strategies and customer retention factors. The questionnaire included items related to pricing strategies, promotional strategies and market segmentation strategies. The questionnaire was validated by experts in the field of Business Education and hospitality management to ensure its relevance and appropriateness for the study. The reliability of the questionnaire was tested using the Cronbach's alpha coefficient, which yielded a coefficient of 0.87, indicating high internal consistency of the items. Data were collected through self-administered questionnaires distributed to customers visiting various hospitality establishments in Yenagoa metropolis of Bayelsa State. The respondents were approached at random and requested to participate voluntarily in the study. They were assured of confidentiality and anonymity to encourage honest responses. Quantitative data were analyzed using statistical software, such as SPSS (Statistical Package for the Social Sciences). Descriptive statistics, correlation analysis, and regression analysis were conducted to examine the relationships between variables. The significance level was set at $p < 0.05$ to determine the statistical significance of the findings.

RESULTS

Research Question One: What is the relationship between price penetration strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria ?

Table 1" Ratings of respondents showing relationship between price penetration strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria

S/N	Items	$\bar{x}$	S.D	Remark
1.	Offering discounted rates and special promotions encourages me to revisit hospitality establishments.	3.19	.32	Agree
2.	I am more likely to remain loyal to a hospitality business if	3.27	.26	Agree

	they consistently provide competitive pricing compared to their competitors.			
3.	Adjusting prices to attract more customers positively influences my decision to continue patronizing hospitality establishments	3.17	.58	Agree
4.	I believe that pricing strategies, such as happy hour deals and seasonal discounts, contribute significantly to customer retention in the hospitality industry.	2.35	.33	Disagree
5.	I feel satisfied when I perceive that I am receiving a good value for the price paid at hospitality establishments	3.60	.73	Strongly Agreed
Grand mean		3.25	.83	

Source: Field survey, (2024)

Table 1 presents the ratings of respondents regarding the relationship between price penetration strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria. The grand mean of respondents' ratings for all items related to price penetration strategies and customer retention is 3.25, indicating an overall positive perception or agreement among respondents regarding the relationship between price strategies and customer retention.

Research Question Two: What is the relationship between market promotional strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria?

Table 2; Ratings of respondents showing relationship between market promotional strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria

s/n	items	$\bar{x}$	S.D	Remark
1	Promotional offers, such as discounts and loyalty programs, make me more likely to return to hospitality establishments.	3.28	.51	Agree
2	I perceive promotional activities as a significant factor in my decision to remain loyal to a particular hospitality business.	3.04	.76	Agree
3	Engaging in promotional events and campaigns positively influences my perception of hospitality establishments.	3.03	.63	Agree
4	I feel valued as a customer when I receive information hospitality establishments	3.02	.72	Agree
5	Regular advertising enhancing customer retention in the hospitality industry.	3.05	.37	Agree
Grand Mean		3.61	.68	

Source: Field survey, (2024)

Table 2 provides insights into the ratings of respondents regarding the relationship between market promotional strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria. The grand mean of respondents' ratings for all items related to market promotional strategies and customer retention is 3.61, suggesting an overall positive perception or agreement among respondents regarding the relationship between promotional strategies and customer retention.

Research Question Three: What is the relationship between market segmentation strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria?

Table 3; Ratings of respondents showing relationship between market segmentation strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria

S/N	items	$\bar{x}$	S.D	Remark
1.	Tailoring services to specific customer segments enhances my satisfaction and likelihood of returning to hospitality	3.32	.71	Agreed

establishments

2. catering to the unique preferences of different customer groups positively influences customer retention in the hospitality industry	3.13	.71	Agreed
3. Offering specialized packages or experiences for different market segments increases my loyalty to hospitality businesses.	3.32	.73	Agreed
4. hospitality establishments that prioritize market segmentation as more attentive to my individual needs and preferences	3.47	.76	Agreed
5. Hospitality establishments that prioritize market segmentation are more likely to understand and meet my individual needs and preference	3.17	.81	Agreed
Grand Mean	3.21	.74	

Source: Field survey, (2024)

Table 3 presents the ratings of respondents regarding the relationship between market segmentation strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria.. The grand mean of respondents' ratings for all items related to market segmentation strategies and customer retention is 3.21, indicating an overall positive perception or agreement among respondents regarding the relationship between market segmentation strategies and customer retention.

Test of Hypotheses

Ho₁ .There is no significant relationship between price penetration strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria

Table 4.11 : Summary of Spearman rho on Relationship and Significant Relationship between price penetration strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria

			Price Penetration	Customer retention
Spearman's rho	Price Penetration	Correlation Coefficient	1.000	.75**
		Sig. (2-tailed)	.	.000
		N	385	385
	Customer retention	Correlation Coefficient	.75**	1.000
		Sig. (2-tailed)	.000	.
		N	385	385

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

Table 4 provides results for answering hypothesis 1. The results reveal strong positive relationship between price penetration strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria with $r(113) = 0.75$. In addition, the result also shows $p < .05$ at 0.000 which means that the null hypothesis is rejected. Therefore, it can be concluded that there is a strong positive relationship between price penetration strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria

Ho₂ There is no significant relationship between market promotional strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria

Table 5; Summary of Spearman rho on Relationship and Significant Relationship between market promotional strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria

	Promotional strategy	Customers retention
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Spearman's rho	Promotional strategy	Correlation Coefficient	1.000	.72**
		Sig. (2-tailed)	.	.000
		N	385	385
	Customer retention	Correlation Coefficient	.72**	1.000
		Sig. (2-tailed)	.000	.
		N	385	385

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

Table 5 provides results for answering hypothesis 2. The results reveal strong positive relationship between le market promotional strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria e with $r(113) = 0.72$. In addition, the result also shows $p < .05$ at 0.000 which means that the null hypothesis is rejected. Therefore, it can be concluded that there is a strong positive significant relationship between market promotional strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria

Ho₃ There is no significant relationship between market segmentation strategy and customer retention in the hospitality industry in Bayelsa State, Nigeria

Table 6 Summary of Spearman rho on Relationship and Significant Relationship between market segmentation strategy and customer retention in the hospitality industry in Bayelsa State, Nigeria

			Market segmentation	Customers retention
Spearman's rho	Market segmentation	Correlation Coefficient	1.000	.89**
		Sig. (2-tailed)	.	.000
		N	385	385
	Customers retention	Correlation Coefficient	.89**	1.000
		Sig. (2-tailed)	.000	.
		N	385	385

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

Table 6 provides results for answering hypothesis 3. The results reveal very strong positive relationship between market segmentation strategy and customer retention in the hospitality industry in Bayelsa State, Nigeria with $r(113) = 0.89$. In addition, the result also shows $p < .05$ at 0.000 which means that the null hypothesis is rejected. Therefore, it can be concluded that there is a very strong positive relationship between market segmentation strategy and customer retention in the hospitality industry in Bayelsa State, Nigeria

Discussion of Findings

The findings from research question one and hypotheses suggest a generally positive relationship between price penetration strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria. The grand mean of 3.25 indicates an overall agreement among respondents regarding the influence of price strategies on customer retention. The findings suggests that respondents agree that promotional pricing strategies, such as discounts and special offers, positively influence their decision to revisit hospitality establishments. This finding is consistent with previous research indicating that consumers are more likely to patronize businesses offering promotional deals (Smith, 2019). The respondents believe that maintaining competitive pricing compared to competitors fosters customer loyalty. It was also revealed that respondents perceive price adjustments to attract more customers as a positive factor influencing their decision to patronize hospitality establishments. Despite the overall positive perception, respondents disagreed (average rating of 2.35) with the statement that pricing strategies like happy hour deals and seasonal discounts significantly contribute to customer retention. This

discrepancy may indicate skepticism among respondents regarding the efficacy of certain promotional tactics in fostering long-term customer loyalty. It was also indicated that respondents strongly agree that feeling satisfied with the perceived value for the price paid at hospitality establishments enhances customer retention. This finding is in line with Parasuraman, Zeithaml, & Berry, (2022). Who noted the importance of delivering value for money to maintain customer satisfaction and loyalty

The findings from research question to and hypotheses tested suggest a generally positive relationship between market promotional strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria. The grand mean of 3.61 indicates an overall agreement among respondents regarding the influence of promotional strategies on customer retention. The respondents agree that promotional offers, such as discounts and loyalty programs, make them more likely to return to hospitality establishments. This finding is consistent with previous research indicating that promotional incentives positively influence customer revisit intention (Kim & Kandampully, 2019). Also, respondents perceive promotional activities as a significant factor in their decision to remain loyal to a particular hospitality business. The findings further suggest that engaging in promotional events and campaigns positively influences respondents' perception of hospitality establishments. This finding is in agreement with (Baloglu & Uysal, 2021). Who stated that promotional strategies are strategic event in marketing that helps in shaping consumer perceptions and driving repeat patronage. This highlights the role of informative promotional communication in enhancing customer satisfaction and loyalty (Sengupta & Good, 2019).

Finally, the findings indicate a positive relationship between market segmentation strategies and customer retention in the hospitality industry in Bayelsa State, Nigeria. The grand mean of 3.21 suggests an overall agreement among respondents regarding the influence of market segmentation strategies on customer retention the findings suggests that respondents agree that tailoring services to specific customer segments enhances their satisfaction and likelihood of returning to hospitality establishments. This finding aligns with research indicating that personalized services can enhance customer satisfaction and loyalty (Ngo & O'Cass, 2023). It was also revealed that respondents believe that catering to the unique preferences of different customer groups positively influences customer retention. This supports the notion that understanding and meeting customer preferences can lead to increased loyalty and repeat patronage (Kim et al., 2018). Similarly, the findings indicates that respondents agree that offering specialized packages or experiences for different market segments increases their loyalty to hospitality businesses. This finding shows the importance of creating targeted offerings to meet the diverse needs of customer segments (Kandampully & Hu, 2020). Overall, the findings suggest that market segmentation strategies play a significant role in influencing customer retention in the hospitality industry in Bayelsa State, Nigeria. Hospitality businesses can benefit from tailoring services, catering to unique preferences, and offering specialized packages to enhance customer satisfaction and loyalty.

CONCLUSION

The findings from this study shed light on the relationship between market penetration strategies, market promotional strategies, market segmentation strategies, and customer retention in the hospitality industry in Bayelsa State, Nigeria. Through the analysis of survey data, it is evident that all three strategies play significant roles in influencing customer retention. Price penetration strategies, including offering competitive pricing and value for money, were found to positively impact customer retention, although certain specific tactics such as happy hour deals may not be as effective. Market promotional strategies, such as discounts, loyalty programs, and advertising, were also shown to have a positive influence on customer retention, with respondents expressing a preference for promotional offers and perceiving them as factors contributing to their loyalty. Furthermore, market segmentation strategies, including tailoring services to specific

customer segments and catering to unique preferences, were found to enhance customer satisfaction and likelihood of return.

RECOMMENDATIONS

Based on the findings of this study, several recommendations can be made to hospitality establishments in Bayelsa State, Nigeria, to improve customer retention:

1. The management of the hospitality establishments should develop and implement dynamic pricing strategies that offer competitive pricing compared to competitors while ensuring perceived value for money.
2. The management of the hospitality establishments should invest in promotional activities such as discounts, loyalty programs, and regular advertising to attract and retain customers.
3. The management of hospitality establishments should adopt market segmentation strategies to tailor services and offerings to specific customer segments, thereby enhancing customer satisfaction and loyalty.

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