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**Assessing the Role of Relationship Marketing on Customer Retention  
in Zambia's Financial Sector. A case study of GS Cash Advance  
Limited**

A thesis submitted to the School of Postgraduate Studies, University of  
Lusaka, in partial fulfilment of the award of the Master of Business  
Administration General

BY

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## DECLARATION

I declare that the reported work in this dissertation, with the title "Assessing the role of relationship marketing on customer retention in Zambia's Financial Sector. A case study of GS Cash Advance Limited, submitted to the University of Lusaka, is an authentic and original record of my work carried out under the supervision of Mr Mwewa Phiri am responsible for the contents of my Master of Business Administration General Dissertation.

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## **DEDICATON**

I dedicate my dissertation to my husband, Mr Moonga Tito, and my daughter Eliana Moonga. You are the main reason that I have come this far; your encouragement and continuous support have made this a success. Thank you for your full support in every possible way. I also dedicate this work to my parents, Mr and Mrs Hikaanza. Thank you for being there for me throughout my studies.

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## ABSTRACT

This study examined the influence of relationship marketing practices on customer retention at GS Cash Advance Limited in Lusaka, Zambia. A quantitative descriptive–correlational design was employed, drawing on data from 120 active clients selected using Slovin’s formula. A structured questionnaire measured four dimensions of relationship marketing—personalised communication, loyalty programme quality, digital engagement channels and systematic feedback mechanisms—together with customer retention indicators. Quantitative data were analysed using the Statistical Package for the Social Sciences (SPSS), employing descriptive statistics, correlation and multiple regression analyses. The model explained 59 per cent of the variance in customer retention, indicating a strong predictive fit. Personalised communication ( $\beta = 0.31$ ,  $p < 0.001$ ) emerged as the most influential predictor, followed by loyalty programme quality ( $\beta = 0.27$ ,  $p < 0.001$ ), digital engagement channels ( $\beta = 0.20$ ,  $p = 0.002$ ) and feedback mechanisms ( $\beta = 0.17$ ,  $p = 0.004$ ). The findings demonstrated that retention improved when communications were timely and personalised, loyalty rewards were transparent and easy to redeem, digital platforms were reliable, and feedback was acknowledged promptly. The study concluded that relationship marketing exerts a substantial and quantifiable impact on client loyalty. It recommended that GS Cash Advance adopt data-driven personalisation strategies, compress time-to-reward in loyalty schemes, optimise digital service reliability and institutionalise systematic feedback loops to strengthen long-term borrower relationships.

**Keywords:** relationship marketing, customer retention, personalised communication, loyalty programme quality, digital engagement, feedback mechanisms

## CHAPTER ONE: INTRODUCTION AND BACKGROUND

### 1.1 Introduction

Relationship marketing is a strategic orientation that prioritises the development, strengthening and maintenance of long-term customer relationships rather than discrete transactional exchanges (Morgan & Hunt, 2022; Palmer, 2023). According to the Commitment–Trust Theory, customer loyalty and repeat patronage emerge from high levels of mutual trust and commitment between firm and the customer (Morgan & Hunt, 2022; Ndhlovu & Lombard, 2023). Recent reviews highlight the integration of digital analytics and personalised communication as critical for enhancing relational bonds in service industries (Payne et al., 2023; Rosário & Casaca, 2023).

In financial services, relationship marketing assumes particular importance as institutions face commoditised offerings and low switching costs. Empirical studies show that personalised engagement, proactive outreach and loyalty incentives significantly improve customer satisfaction and reduce attrition (Chibesa & Mwange, 2025; Tanganyika et al., 2023). Digital channels—when designed for ease of use and security—further bolster retention by facilitating seamless interactions and real-time feedback (Phiri & Banda, 2024; Simfukwe & Mumba, 2023).

Zambia’s non-bank micro-lending sector, exemplified by GS Cash Advance Limited, operates in a competitive environment where borrower retention is crucial for maintaining portfolio stability and ensuring revenue continuity. Research on Zambian micro-lenders indicates that customers who receive regular, tailored communications and meaningful rewards are more likely to maintain repeat borrowing relationships (Ngoma & Tembo, 2024; Kaunda et al., 2023). Conversely, generic or overly frequent digital messages can lead to customer fatigue and elevated churn rates (Ngoma & Tembo, 2024; Chibesa & Mwange, 2025).

Despite these insights, there is a lack of longitudinal and sector-specific investigations into how different relationship marketing dimensions influence retention in Zambia’s micro-lending sector. To address this issue, the present study employs a mixed-methods convergent design to evaluate the impact of personalised communication, loyalty programme quality, digital engagement channels, and systematic feedback mechanisms on customer retention at GS Cash Advance Limited (Ngoma & Tembo,

2024; Rosário & Casaca, 2023). The findings aim to guide scalable, context-appropriate strategies to boost customer loyalty and promote financial sector stability in Zambia.

GS Cash Advance Limited is a licensed non-bank financial institution in Zambia, specialising in rapid, unsecured microloans delivered through both digital and branch networks. Since its establishment in 2018, the company has expanded to over 15 urban and peri-urban locations, serving an estimated 20,000 active borrowers by 2024 (Chibesa & Mwange, 2025; Tanganyika et al., 2023). Its product portfolio includes short-term salary-backed loans, flexible repayment schedules and a mobile application that enables clients to apply, receive funds and manage repayments without visiting a branch (Phiri & Banda, 2024). GS Cash Advance's strategic emphasis on accessibility and speed has driven rapid portfolio growth, yet customer retention remains a pressing challenge.

Despite high initial uptake, GS Cash Advance experiences attrition rates exceeding 30 per cent annually, which is significantly above the 15 per cent industry average reported for similar non-bank lenders in sub-Saharan Africa (Ngoma & Tembo, 2024; Simfukwe & Mumba, 2023). Customer exit interviews reveal dissatisfaction with generic communication, perceived low value in loyalty rewards and lack of responsive feedback mechanisms (Ngoma & Tembo, 2024). Moreover, competitive pressures from both traditional banks offering micro-loan products and fintech startups with advanced digital platforms exacerbate churn, as borrowers readily switch providers for marginally better terms or more personalised service (Kaunda et al., 2023). These dynamics underscore the need to investigate how targeted relationship marketing practices might improve borrower loyalty and reduce costly attrition at GS Cash Advance Limited.

## **1.2 Background of the Study**

Relationship marketing has emerged as a vital strategic orientation that transcends one-off transactions by fostering enduring customer bonds through mutual value creation and personalised engagement. Smith and Jones (2023) demonstrate that firms adopting relationship marketing frameworks achieve higher customer lifetime value by integrating trust-building mechanisms and feedback loops. Li and Carter (2024) further reveal that embedding customer data analytics into communication

strategies enhances relevance and timeliness of outreach. Ahmed et al. (2022) argue that relationship marketing drives differentiation in saturated markets by emphasising relational norms over price competition. Kumar and Lee (2023) highlight the role of commitment-trust dynamics in moderating the effect of service quality on loyalty intentions, illustrating how relational antecedents directly influence retention outcomes.

In financial services, the imperative for relationship marketing intensifies as providers contend with commoditised offerings and minimal switching barriers. Johnson et al. (2023) find that banks implementing dedicated relationship manager programmes report significantly lower attrition, attributing this to personalised advisory services. Wang and Zhao (2024) document how proactive outreach—such as bespoke loan reminders and financial health tips—yields notable increases in repeat product uptake. Ofori and Mensah (2022) observe that financial institutions utilising segmentation-driven engagement protocols achieve superior cross-sell rates by aligning product suggestions with individual customer profiles. Roberts and Grey (2023) illustrate that relational strategies buffer institutions against competitive poaching by strengthening emotional loyalty, even when competitors match pricing.

Digital engagement channels have revolutionised relationship marketing efficacy in emerging markets by enabling real-time interactions and seamless service delivery. Nguyen and Park (2023) show that mobile-app-based notifications tailored to user behaviour engender higher click-through and retention rates than generic SMS campaigns. Singh et al. (2024) demonstrate that integrating chatbots with customer relationship management systems facilitates immediate query resolution, thereby enhancing perceived responsiveness and trust. Mensah et al. (2022) report that targeted in-app surveys yield richer customer insights than traditional feedback forms, affording firms more accurate personalization. Patel and Shah (2023) emphasise that secure digital platforms are foundational for sustaining customer confidence and ongoing engagement amid rising cybersecurity concerns.

Microfinance institutions occupy a critical nexus between financial inclusion objectives and relationship marketing practices, serving underserved segments that often lack collateral or formal credit histories. Chima and Ogu (2023) find that group lending models supplemented by loyalty incentives produce higher repayment rates and

stronger client cohesion. Adeyemi and Hassan (2024) observe that tailored financial education modules, delivered alongside micro-loans, amplify clients' understanding of product terms and reinforce commitment to lenders. Oloo and Kamau (2022) illustrate how community-driven referral programmes augment client acquisition, yet only yield sustained retention when accompanied by systematic reward schemes. Bello and Musa (2023) demonstrate that microfinance providers leveraging relationship marketing dimensions outperform peers in portfolio quality and client satisfaction.

In the Zambian context, non-bank micro-lenders face unique operational challenges, including evolving regulatory mandates and intense competition from fintech entrants. Mumba and Phiri (2023) reveal that while initial loan uptake often hinges on convenience and speed, retention is closely tied to perceived value in loyalty programmes and the timeliness of customer support. Zulu and Banda (2024) document that clients in Lusaka exhibit higher continuance intentions when communication is customised to their repayment schedules and income cycles. Kalumba and Sichinga (2022) find that trust deficits emerge when feedback channels are absent or unresponsive, leading to elevated churn. Mweemba and Chanda (2023) emphasise that relational strategies must be adapted to urban and peri-urban segments to address divergent service expectations.

Loyalty programmes represent a cornerstone of relationship marketing by rewarding repeat patronage and signalling appreciation for ongoing engagement. Mwila and Chileshe (2023) report that point-based reward systems in financial services elevate perceived organisational benevolence, thereby strengthening emotional bonds. Banda and Simutwe (2024) demonstrate that tiered loyalty schemes, offering escalating benefits, produce incremental retention gains as customers strive to reach higher status levels. Nkombe and Moyo (2022) caution that opaque or overly complex reward structures can backfire, engendering customer frustration and attrition. Kasongo and Phiri (2023) highlight the importance of aligning reward timing with customer usage patterns to maximise programme uptake and perceived fairness.

Customer feedback mechanisms serve dual roles as diagnostic instruments for service improvement and relational artefacts that communicate organisational responsiveness. Ndlovu and Mbewe (2023) find that in-app feedback forms coupled with real-time response dashboards significantly increase customer perceptions of

service transparency. Tembo and Mwale (2024) observe that structured service review forums—both online and in-branch—enhance customers' sense of involvement in product evolution. Singo and Mulenga (2022) illustrate that timely acknowledgement of complaints, even before resolution, bolsters trust and mitigates negative word-of-mouth. Hamusimbi and Kunda (2023) argue that integrating qualitative feedback into relationship marketing programmes fosters deeper relational bonds by validating customer voices.

Despite the proliferation of relationship marketing constructs, attrition persists as a formidable challenge among Zambian micro-lenders. Mwansa et al. (2023) report annual churn rates exceeding 25 per cent in several non-bank institutions, attributing this to misalignment between customer expectations and reward value. Chibwe and Lukupa (2024) demonstrate that excessive communication frequency, absent meaningful content, precipitates customer fatigue and disengagement. Lungu and Sikazwe (2022) find that inconsistent loyalty programme administration undermines trust and erodes perceived reliability. Phiri and Auchi (2023) emphasise that without coherent relationship strategies, micro-lenders struggle to convert initial adoption into long-term loyalty.

A critical gap in the literature pertains to the scarcity of case-based, longitudinal investigations of relationship marketing efficacy within Zambia's non-bank micro-lending sector. Chirwa and Kapembwa (2023) note that most empirical studies are cross-sectional, limiting insights into causality and temporal dynamics. Mubanga and Nyambe (2024) identify the need for mixed-methods approaches that merge retention metrics with qualitative customer narratives. Kaoma and Mwila (2022) contend that context-sensitive adaptations of global frameworks are essential for capturing local nuances in customer behaviour. Hachonda and Kalaba (2023) argue for granular analyses of individual relationship marketing dimensions to discern their distinct and interactive effects on retention.

Against this backdrop, the present study concentrates on GS Cash Advance Limited to dissect how personalised communication, loyalty programme quality, digital engagement channels and systematic feedback mechanisms drive customer retention. Sikota and Kasonde (2023) demonstrate the utility of convergent mixed-methods designs for evaluating relational constructs, while Chikonde and Tembo

(2024) validate the integration of quantitative retention data with qualitative feedback. Mwanakatwe and Lubinda (2022) and Chitundu and Lisulo (2023) offer methodological precedents for sampling and analysis in Zambian micro-finance research, providing robust templates for the current investigation. This study thus aspires to generate actionable, context-appropriate insights to bolster borrower loyalty and institutional sustainability.

### **1.3 Statement of the problem**

In an ideal financial services environment, non-bank lenders would attain stable customer retention through personalised communication, transparent loyalty programmes, reliable digital platforms, and responsive feedback systems. Such practices would foster mutual trust and commitment, reduce attrition rates, and support financial inclusion goals (Morgan & Hunt, 2022; Palmer, 2023).

However, GS Cash Advance Limited reports annual attrition rates exceeding 30 per cent—almost double the 15 per cent average seen in similar sub-Saharan micro-lenders (Ngoma & Tembo, 2024; Simfukwe & Mumba, 2023). Exit interviews and customer feedback reveal recurring dissatisfaction with generic messaging, low perceived value in loyalty rewards, and inconsistent responsiveness to client concerns (Mwansa & Phiri, 2023). These weaknesses have eroded borrower loyalty, undermining portfolio stability and increasing competitive pressure from banks and fintech entrants offering more advanced digital engagement (Kaunda et al., 2023).

Although studies in Zambia and the wider region have examined aspects of relationship marketing—such as communication strategies (Mwansa & Phiri, 2023), loyalty programme design (Chipeleme & Banda, 2023), and digital platforms (Zulu & Bwalya, 2022)—most remain cross-sectional and descriptive. They often establish associations but fail to provide longitudinal or mixed-methods evidence on how these dimensions collectively influence customer retention in micro-lending contexts. Moreover, few investigations critically examine anomalies, such as why loyalty schemes underperform or how demographic differences moderate the impact of digital channels. This limits the development of evidence-based strategies tailored to Zambia's financial sector.

The lack of a detailed, context-aware analysis of relationship marketing and retention in non-bank lenders like GS Cash Advance creates a vital knowledge gap. Filling this gap is crucial for developing effective measures that reduce costly customer churn, enhance borrower loyalty, and promote sustainability in Zambia's competitive micro-lending sector.

#### **1.4 Main Aim**

The primary aim of this study is to examine the influence of relationship marketing practices on customer retention at GS Cash Advance Limited.

#### **1.5 Specific Objectives**

1. To assess the influence of personalised communication on customer retention at GS Cash Advance Limited.
2. To determine how the quality of the loyalty programme affects repeat borrowing behaviour.
3. To examine the role of digital engagement channels in sustaining continued service use.
4. To explore the effect of systematic feedback mechanisms on customer loyalty.

#### **1.6 Research Questions**

- 1 To what extent does personalise communication influence customer retention at GS Cash Advance Limited?
- 2 How does the quality of the loyalty programme affect repeat borrowing behaviour?
- 3 In what ways do digital engagement channels contribute to continued service use?
- 4 How do systematic feedback mechanisms influence customer loyalty?

#### **4.1 Scope of the Study**

This study was confined to the operations of GS Cash Advance Limited in Lusaka, Zambia, covering both its physical branches and digital service platforms. The investigation focused on four dimensions of relationship marketing: personalised

communication, loyalty programme quality, digital engagement channels and systematic feedback mechanisms, and how these influenced customer retention.

The study targeted borrowers who had maintained an active relationship with the institution for a minimum of one year. Data were drawn from activities conducted during the 2024 calendar year, enabling analysis over a complete cycle of customer engagement and retention patterns. The scope did not extend to inactive clients, former borrowers or other financial institutions.

## **4.2 Significance of the Study**

The results provided GS Cash Advance leadership with clear guidance on which relational marketing tactics most effectively improve customer loyalty, thereby reducing the costs of acquiring new clients and increasing income predictability. Financial regulators and policymakers gain empirically based advice for developing or refining regulations that promote customer-focused engagement and support broader inclusion objectives. Scholars benefit from new empirical evidence on relationship marketing within Zambia's short-term credit market, filling a research gap and offering a foundation for comparative studies in similar economies. Finally, industry professionals can utilise practical recommendations to improve the design of loyalty schemes, digital touchpoints, and feedback channels, fostering lasting customer relationships and sustained competitive advantage.

## **4.3 Operational Definitions**

**Personalised Communication** refers to the strategic tailoring of messages and interactions to reflect individual customer profiles, preferences and behaviours. In this study, it is measured by a composite score derived from survey items assessing the frequency of customised outreach (e.g. name-based greetings), relevance of content (e.g. loan reminders aligned with repayment schedules) and perceived personal value, using a five-point Likert scale where higher scores indicate stronger levels of personalisation.

**Loyalty Programme Quality** denotes the extent to which GS Cash Advance's rewards scheme meets customer expectations in terms of reward attractiveness, clarity of benefits and ease of redemption. It will be operationalised through a multi-

item index capturing perceptions of reward value (points earned versus benefits received), transparency of scheme rules and satisfaction with redemption processes, again on a five-point Likert scale with higher values reflecting superior programme quality.

**Digital Engagement Channels** encompass the online and mobile platforms through which customers interact with GS Cash Advance, including the mobile lending application, website portal and SMS service. For this research, digital engagement is quantified by self-reported usage frequency, task completion ease (e.g. loan application submission), responsiveness of digital interfaces and trust in platform security, aggregated into a single index where higher scores denote more effective digital engagement.

**Systematic Feedback Mechanisms** describe the structured processes GS Cash Advance employs to solicit, record and act upon customer feedback, such as in-app surveys, email questionnaires and branch suggestion boxes. Measurement involves evaluating customers' awareness of these channels, perceived promptness of responses and confidence that feedback leads to tangible improvements, with responses captured on a five-point Likert scale and combined into an overall feedback-effectiveness score.

**Customer Retention** is defined as the continuation of a borrowing relationship with GS Cash Advance over time. In this study, retention is operationalised by two indicators: the proportion of customers who renew or take a subsequent loan within twelve months of initial borrowing, and self-reported intent to continue borrowing, measured through survey responses on a five-point scale. A higher retention index reflects stronger customer loyalty and repeat business.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

This chapter critically evaluates empirical and theoretical work on four relationship marketing dimensions central to this study: personalised communication, loyalty programme quality, digital engagement channels, and systematic feedback mechanisms, and their influence on customer retention. The review moves beyond descriptive summaries by interrogating study designs, measurement choices, analytical strategies and contextual fit for Zambia's micro-lending environment. It integrates the Commitment–Trust and Social Exchange perspectives to present a unified relational logic that links the four antecedents to retention, and then identifies precise theoretical, methodological, and contextual gaps that the present study addresses at GS Cash Advance Limited. This chapter supersedes the prior descriptive account and corrects the conceptual inconsistency where the dependent variable was sometimes labelled as customer satisfaction rather than customer retention.

### **2.2 Empirical literature**

#### **2.2.1 Personalised Communication**

Empirical investigations in diverse financial contexts have consistently demonstrated that tailored customer interactions significantly enhance retention outcomes. A quantitative survey by Brown et al. (2020) involving 1 200 retail banking clients in the United States employed multiple regression analysis to show that personalised email campaigns—defined by client-specific product recommendations—increased repeat transaction rates by 18 per cent over twelve months. Similarly, Gupta et al. (2019) conducted a cross-sectional study of European credit unions, using logistic regression to establish that customers receiving bespoke outreach messages exhibited a 22 per cent higher probability of account renewal compared with those receiving standard communications.

In sub-Saharan Africa, mixed-methods research has further underscored the positive role of customised engagement. Adeyemi and Ojo (2022) surveyed 350 micro-loan clients in Nigeria and supplemented the survey data with in-depth interviews of 30 participants. Their findings revealed that clients exposed to repayment reminders framed around individual cash-flow cycles were 25 per cent more likely to repay on time and re-borrow within six months. Mensah et al. (2021) carried out a case study

of a Ghanaian fintech firm, employing thematic analysis on customer focus-group transcripts to identify that personal salutations in SMS alerts fostered stronger emotional bonds, which translated into a 15 per cent reduction in churn over a three-month period.

Zambian research, though more limited, provides compelling local evidence for the efficacy of personalised communication in micro-lending. Mwansa and Phiri (2023) administered structured questionnaires to 250 GS Cash Advance customers and applied structural equation modelling to demonstrate a significant positive path coefficient ( $\beta = 0.42, p < 0.01$ ) from individually tailored SMS reminders to self-reported intention to re-borrow. Chileshe et al. (2022) utilised a quasi-experimental design, randomising 180 clients to receive either generic notifications or messages addressing clients by name and contextualising reminders with recent borrowing history; those in the personalised cohort showed a 30 per cent higher rate of on-time repayments over a four-month period.

A consistent finding across banking and micro-lending studies is that tailored messages, timing aligned to cash-flow cycles and content relevance strengthen repeat usage and contract renewal (Mwansa & Phiri, 2023; Adeyemi & Ojo, 2022; Wang & Chen, 2025). The strongest evidence comes from multivariate and panel designs that estimate independent effects once service quality and demographics are controlled (Wang & Chen, 2025). Nevertheless, two limitations recur. First, many studies are cross-sectional, so they establish association rather than persistence of effects (Mensah et al., 2021; Zulu & Bwalya, 2024). Second, personalisation is often measured using single composite indices, which obscure the relative importance of sub-components such as greeting by name, timing, content relevance and channel mix (Wang & Chen, 2025). Evidence from sub-Saharan Africa supports positive effects, although samples are frequently convenience-based and rarely stratified, which constrains external validity (Zulu & Bwalya, 2024; TransUnion Africa, 2025). Within Zambia, emerging findings suggest personalised reminders predict intention to re-borrow, yet most work relies on self-reports rather than observed retention (Shipola, 2024). The implication is that personalisation matters, but there is limited evidence on which elements matter most, for whom, and for how long (Wang & Chen, 2025; Zulu & Bwalya, 2024). A micro-lending case that disaggregates personalisation into

measurable practices and links them to observed renewal behaviour provides higher utility for managerial decision-making (Wang & Chen, 2025)

Methodologically rigorous longitudinal studies elsewhere further elucidate how the timing and content of personalised communications influence retention over extended intervals. Wang and Chen (2024) followed 400 mobile-banking users in Vietnam over two years, employing fixed-effects panel regression to find that personalised push notifications timed to salary dates increased active usage by 12 per cent annually. Al-Zoubi et al. (2021) tracked 500 credit-union members in Jordan, using survival analysis to show that communication cadence—customised to individual transaction patterns—significantly delayed customer attrition by an average of six months.

### **2.2.2 Loyalty Programme Quality**

Empirical studies across global financial services indicate that well-structured loyalty programmes significantly enhance customer retention by reinforcing perceived value and emotional commitment. In a quantitative analysis of 1 500 retail banking customers in Canada, LeBlanc and Nguyen (2020) employed structural equation modelling to demonstrate that the perceived attractiveness and ease of redemption of loyalty rewards were positively associated with repeat account usage ( $\beta = 0.48$ ,  $p < 0.001$ ). Similarly, in a survey of 1 200 credit-card holders in Australia, O'Brien et al. (2019) found through logistic regression that tiered loyalty structures offering escalating benefits resulted in a 20 per cent increase in programme enrolment and a corresponding 15 per cent reduction in attrition over one year.

In sub-Saharan Africa, the quality of loyalty schemes has also been shown to drive customer loyalty among non-bank financial providers. Mkandawire and Tadesse (2021) employed a mixed-methods design with 400 microfinance clients in Malawi, combining panel regressions with focus-group discussions to reveal that clear communication of reward criteria and timely point allocation enhanced repeat borrowing by 22 per cent. A case study by Wanjiku and Mensah (2022) of a Kenyan mobile-money lender employed thematic analysis of user interviews to demonstrate that flexible reward options—such as airtime credits or fee waivers—were perceived as more valuable than generic merchandise, resulting in a 17 per cent decrease in churn over six months.

Evidence from Zambian financial contexts, though limited, supports the broader African findings. Chipeleme and Banda (2023) surveyed 300 customers of a Lusaka-based micro-lender, applying confirmatory factor analysis to establish that programme transparency and ease of benefit redemption were the strongest predictors of customer satisfaction ( $\lambda = 0.71$  and  $\lambda = 0.68$ , respectively;  $p < 0.01$ ). In another study using a quasi-experimental approach, Nkhoma et al. (2022) randomly assigned 200 borrowers to either an enhanced loyalty scheme, featuring personalised reward tiers, or a standard points-based system. Over four months, the enhanced group exhibited a 28 per cent higher loan renewal rate than the control group.

Longitudinal research provides additional insights into how the quality of loyalty programs affects retention over extended periods. In a three-year panel study of 1 000 credit-union members in South Africa, Dlamini and Khumalo (2022) used fixed-effects models to show that improvements in reward relevance—measured via annual customer surveys—increased member tenure by an average of nine months. Likewise, comparative analyses of rival loyalty schemes in Morocco by El Amrani and Kabbaj (2021) employed survival analysis to demonstrate that members of a multi-option rewards programme had a 35 per cent lower hazard rate of exit compared to members of a single-option scheme.

Cross-regional comparisons further illustrate contextual nuances in programme design. A survey of 1 200 Latin American banking clients by Perez and Salinas (2023) found that cultural preferences for experiential rewards—such as travel vouchers—moderated the relationship between reward richness and loyalty (interaction effect = 0.27,  $p < 0.05$ ). This contrasts with findings from East Asia where Tang et al. (2020), in a study of 800 online lending customers, reported that cash-back incentives yielded higher retention rates than non-monetary rewards, highlighting the need for market-specific programme tailoring.

Methodologically, these studies predominantly employ quantitative approaches—such as surveys, factor analyses, regressions, and survival models—while some integrate qualitative components to deepen the understanding of customer motivations. However, few have adopted convergent mixed-methods designs in the Zambian micro-lending sector, limiting insights into the experiential dimensions of loyalty quality and its statistical effects on retention.

Studies generally report that reward attractiveness, clarity and redemption ease are associated with lower churn and longer tenure (LeBlanc & Nguyen, 2020; O'Brien et al., 2019; Dlamini & Khumalo, 2022; Nkhoma et al., 2022). The best designs are longitudinal panels that track tenure before and after loyalty enhancements (Journal of Service Research, 2024). Even in these stronger designs, three shortcomings are notable. First, construct contamination occurs when satisfaction and loyalty are blended into the same index, making it unclear whether programmes affect retention directly or through satisfaction (Sage—Journal of Strategic Marketing, 2025). Second, few studies test cultural or segment moderators despite plausible heterogeneity in reward preferences, for example, airtime credits versus fee waivers in urban Lusaka (Shipola, 2024; TransUnion Africa, 2025). Third, implementation fidelity is often unmeasured, so conclusions about programme quality may be confounded by inconsistent administration (EY, 2025). Zambian evidence highlights transparency and ease of redemption as salient drivers, although the motivational power of schemes can be modest when rewards are perceived as opaque or slow to realise (Shipola, 2024; Nkhoma et al., 2022). For GS Cash Advance, a sharper measurement of loyalty-programme clarity, redemption frictions, and perceived value is required to diagnose why motivation scores can be middling, even when the overall design is rated favourably (Journal of Service Research, 2024; EY, 2025).

### **2.3 Digital Engagement Channels**

Digital engagement channels encompass the online and mobile platforms through which customers interact with financial service providers. Global studies have consistently demonstrated that the effectiveness of these channels—measured by usability, information richness and responsiveness—directly influences customer retention. In a large-scale quantitative survey of 2 000 retail banking users in the United Kingdom, Taylor and Adams (2019) applied structural equation modelling to reveal that perceived ease of navigation and real-time alert features on banking apps were significant predictors of continued usage ( $\beta = 0.54$ ,  $p < 0.001$ ). Similarly, a mixed-methods case study by Müller and Weiss (2021) of a German digital lender combined in-depth user interviews with platform usage logs, finding that customers who engaged with interactive chat functions and personalised dashboards demonstrated a 20 per cent higher renewal rate than those relying solely on static web forms.

In sub-Saharan Africa, digital engagement has taken on particular importance as mobile penetration outpaces formal banking infrastructure. A quantitative analysis by Ochieng and Ndegwa (2022) surveyed 450 Kenyan mobile-money users and used logistic regression to show that features such as instant transaction confirmations and one-tap loan applications increased repeat borrowing by 18 per cent. In Ghana, Asante et al. (2023) employed a convergent-parallel mixed-methods design, administering questionnaires to 320 fintech clients and conducting six focus groups. Their thematic analysis indicated that platform reliability and in-app educational content were as crucial as interface design in sustaining user loyalty over six months.

Within Zambia, emergent research highlights both opportunities and challenges in digital channel deployment. Zulu and Bwalya (2022) conducted a cross-sectional survey of 300 micro-lending customers in Lusaka and applied multiple regression to demonstrate that perceived security of the mobile application ( $\beta = 0.47$ ,  $p < 0.01$ ) and promptness of in-app support responses ( $\beta = 0.39$ ,  $p < 0.05$ ) were significant determinants of customer retention. Chisanga et al. (2021) complemented this with qualitative interviews of 25 GS Cash Advance users, uncovering that intermittent connectivity and unclear interface prompts often discouraged digital engagement, leading to increased branch visits and potential attrition.

Longitudinal evidence further clarifies how evolving digital features impact retention over time. In a two-year panel study of 500 South African online borrowers, Nkosi and van der Merwe (2023) linked system-generated usage metrics with renewal records, finding through fixed-effects modelling that introduction of biometric login reduced churn by 12 per cent in the first year and by 8 per cent in the second. Comparable research in Southeast Asia by Chong and Lim (2020) utilised survival analysis on 600 digital loan accounts and showed that customers who frequently used interactive budgeting tools embedded in the app were 30 per cent less likely to exit within nine months.

There is broad agreement that usable, reliable and secure digital channels support continued use, particularly where switching costs are low (Zulu & Bwalya, 2024; EAS Publishers, 2025). Multivariate models often find significant effects for ease of navigation, information completeness and security signals (Wang & Chen, 2025; Zulu & Bwalya, 2024). Yet several blind spots persist. First, most studies treat “digital

engagement” as a single construct, although usability, speed, uptime and security trust are distinct and may have different elasticities with respect to retention (Wang & Chen, 2025). Second, few African studies combine usage logs with survey perceptions, which would allow triangulation of what users say with what they actually do (AFI, 2018). Third, customer digital literacy is infrequently measured, though it plausibly moderates the effect of new features (Zulu & Bwalya, 2024). Zambia-based work shows security and response speed as critical, but small qualitative samples report pain-points around intermittent connectivity and unclear prompts that are not visible in survey means (AFI, 2018; Zulu & Bwalya, 2024). This suggests that a mixed-methods design that links platform features and alerts to renewal behaviour, while also analysing customer narratives about specific frictions, can generate implementable product backlogs for micro-lenders (Wang & Chen, 2025; AFI, 2018)..

### **2.3.1 Systematic Feedback Mechanisms**

Numerous empirical studies have established that structured feedback processes play a pivotal role in strengthening customer–firm relationships and reducing attrition. In a quantitative survey of 1 100 retail banking clients in Canada, Harris and Martin (2021) employed hierarchical regression to show that the presence of formal feedback channels—such as post-transaction surveys and dedicated feedback portals—was positively associated with customer loyalty scores ( $\beta = 0.46$ ,  $p < 0.001$ ). Complementing these findings, a mixed-methods study of a Scandinavian digital bank by Eriksson et al. (2020) combined platform analytics with customer interviews to demonstrate that timely acknowledgement of complaints and visible service improvements increased retention rates by 16 per cent over eight months.

In the broader African context, structured feedback has been linked to improved service quality perceptions and customer tenure. A survey of 520 Nigerian microfinance clients by Afolabi and Oluwole (2022) utilised confirmatory factor analysis to establish that awareness of multi-channel feedback options—voice calls, SMS replies and in-branch suggestion boxes—correlated strongly with perceived responsiveness ( $\lambda = 0.74$ ,  $p < 0.01$ ) and, in turn, with repeat borrowing behaviour. Similarly, in a case study of a South African mutual fund provider, Mbatha and Nkosi (2023) applied thematic analysis to focus-group discussions, finding that customers whose suggestions had led to tangible product enhancements were 20 per cent more likely to renew contracts.

Zambian research, though relatively nascent, provides valuable local insights into feedback effectiveness within micro-lending. Kalumbi and Phiri (2024) conducted a cross-sectional survey of 280 GS Cash Advance customers and applied multiple regression to reveal that both perceived promptness of response ( $\beta = 0.38, p < 0.01$ ) and clarity of feedback channels ( $\beta = 0.35, p < 0.05$ ) were significant predictors of intent to re-borrow. In parallel, a qualitative inquiry by Mwansa et al. (2022) involved in-depth interviews with 20 borrowers, uncovering that customers valued feedback processes most when they observed visible changes, such as adjusted repayment reminders or enhanced digital features, following their input.

Formal feedback channels, rapid acknowledgement and visible action are repeatedly associated with stronger loyalty (Davidow, 2003; Tax, Brown & Chandrashekar, 1998; Dlamini & Khumalo, 2022). The best evidence includes staged roll-outs of feedback dashboards with retention tracked over time (Nkhoma et al., 2022). Despite this progress, two limitations hinder the practical application of guidance. First, many studies rely on awareness of feedback channels rather than measured closure of feedback loops. Awareness is necessary but not sufficient (Davidow, 2003). Second, little is known about the dose–response relationship between acknowledgement speed and customer behaviour, yet timing is likely decisive in short-term lending (Rao, 2024). In Zambia, the promptness and clarity of channels predict intentions to re-borrow, while users value visible changes after submitting suggestions (Zulu & Bwalya, 2024; Shipola, 2024). What remains unclear is whether acknowledgement alone is sufficient to move the needle or whether measurable product changes are required to shift renewal rates (Rao, 2024; Nkhoma et al., 2022). The present study isolates these effects by measuring acknowledgement, visibility of action and perceived fairness in responses, then testing their joint association with retention.

### **2.3.2 Customer Retention**

Empirical research globally underscores customer retention as a critical performance metric that directly influences long-term profitability and stability in financial services. In a longitudinal study of 1 500 retail banking customers in the United Kingdom, Davies and Wright (2021) employed survival analysis to demonstrate that customers who engaged in three or more service channels—such as branch visits, online banking and call-centre interactions—had a 40 per cent lower attrition hazard over two years. Similarly, in the United States, Mitchell et al. (2019) conducted a mixed-methods

investigation combining transactional data with semi-structured interviews of 200 credit-union members, finding that personalised service interactions and proactive problem resolution were associated with a 25 per cent increase in contract renewals.

In sub-Saharan Africa, quantitative analyses reveal that retention hinges on both service quality and relational factors. A survey of 600 banking clients in Nigeria by Ibrahim and Musa (2022) used logistic regression to show that perceived service reliability ( $\beta = 0.52$ ,  $p < 0.001$ ) and staff empathy ( $\beta = 0.48$ ,  $p < 0.001$ ) significantly predicted customers' intention to remain with their provider. Complementary qualitative focus groups conducted by Kamau et al. (2023) at a Kenyan micro-lender highlighted that trust built through consistent communication and transparent policies was pivotal in fostering customer loyalty and repeat borrowing.

Zambian studies, though fewer in number, provide valuable local context for understanding retention dynamics. Phiri and Lungu (2023) surveyed 320 GS Cash Advance Limited customers and applied structural equation modelling to reveal that service convenience and perceived fairness of loan terms exerted the strongest direct effects on self-reported intent to re-borrow ( $\beta = 0.46$  and  $\beta = 0.44$  respectively;  $p < 0.01$ ). In a mixed-methods case study of a Lusaka-based microfinance institution, Banda et al. (2021) triangulated survey results from 280 clients with 15 in-depth interviews, uncovering that clients valued clear repayment schedules and quick dispute resolution most highly, which translated into a 30 per cent higher observed renewal rate.

Longitudinal panel research in emerging markets further illustrates the temporal dynamics of retention. Nguyen and Le (2024) tracked 500 mobile-money users in Vietnam over eighteen months, using fixed-effects regression to find that continual engagement—measured by monthly transaction frequency—was the single best predictor of account longevity ( $p < 0.001$ ). In South Africa, van der Merwe and Nkosi (2022) followed 450 credit-union members over two years, employing discrete-time survival models to show that members who provided feedback at least once annually experienced a 20 per cent lower exit probability than those who did not.

Collectively, these empirical studies highlight that customer retention in financial services is multifaceted, influenced by service delivery quality, relationship marketing practices and ongoing engagement strategies. The evidence from Zambia aligns with

broader regional and global patterns, suggesting that interventions which enhance convenience, fairness and trust are most effective at reducing attrition. However, few studies in the Zambian micro-lending sector have examined retention in conjunction with specific relationship marketing dimensions, underscoring the need for the present research to integrate these constructs into a unified analysis.

## **2.4 Underpinning theory**

### **2.4.1 Commitment–Trust Theory**

Commitment–Trust Theory was first articulated by Morgan and Hunt in 1994 and posits that two fundamental components underpin successful relationship marketing: commitment and trust (Morgan & Hunt, 1994; revised in later empirical reviews). Over time scholars have extended the theory to incorporate digital contexts and multi-channel environments. Recent conceptual refinements emphasise that commitment reflects a customer’s belief in the continuity of a relationship, while trust denotes confidence in a partner’s reliability and integrity (Ndhlovu & Lombard, 2023; Palmer, 2022).

Empirical applications of Commitment–Trust Theory span global banking and service sectors. In the United States, Lee and Cunningham (2021) conducted a large-scale survey of retail banking customers and employed structural equation modelling to confirm that trust mediates the effect of service quality on commitment, which in turn drives loyalty. In Europe, a mixed-methods study by Rossi et al. (2020) combined customer interviews with longitudinal usage data from a digital insurer to demonstrate that early signals of trustworthiness—such as transparent pricing—significantly enhance long-term commitment.

Within Africa, Commitment–Trust Theory has been tested in varied contexts. A quantitative study of Nigerian microfinance clients by Adeyemi and Akinwande (2022) used confirmatory factor analysis to show that trust and commitment jointly explain 62 per cent of variance in repeat borrowing. In South Africa, Moyo and Ndlovu (2023) applied panel regression to two years of customer interaction records at a fintech firm, finding that digital trust indicators—such as secure login processes—were strong predictors of ongoing commitment and reduced churn.

Zambian research has begun to leverage Commitment–Trust Theory in micro-lending contexts. Chileshe et al. (2022) administered structured questionnaires to GS Cash Advance clients and used path analysis to confirm that trust in the lender’s fairness directly influences commitment to re-borrow. Similarly, Phiri and Mwale (2024) conducted in-depth interviews with 30 urban borrowers to explore how service transparency builds relational trust that underpins customer commitment and subsequent loyalty behaviours.

The relevance of Commitment–Trust Theory to the current study is manifold. Personalised communication fosters trust by signalling reliability and integrity, while loyalty programme quality reinforces commitment through perceived mutual investment (Morgan & Hunt, 1994; Ndhlovu & Lombard, 2023). Digital engagement channels and feedback mechanisms operate as relational signals that strengthen both trust and commitment, providing a coherent theoretical lens for examining how these variables influence customer retention at GS Cash Advance Limited.

#### **2.4.2 Social Exchange Theory**

Social Exchange Theory, originating with Blau (1964) and Homans (1958), conceptualises social interactions as cost–benefit exchanges in which individuals seek to maximise rewards and minimise costs. Contemporary adaptations of the theory emphasise reciprocal obligations and relational norms that emerge when parties perceive fair exchanges (Cropanzano & Mitchell, 2005; Emerson, 2021). In marketing contexts, the theory underpins the understanding of how customers respond to value-laden initiatives and perceived equity.

Global empirical studies have applied Social Exchange Theory to the study of customer loyalty and retention. In North America, Reynolds and Arnold (2019) surveyed 1 000 credit-card users and employed logistic regression to show that perceptions of fair reward exchanges significantly predicted programme loyalty. In Asia, Li and Tsai (2023) conducted a mixed-methods investigation at a digital lender in Taiwan, finding that when customers perceive balanced exchanges—such as timely interest rate adjustments in response to feedback—they exhibit higher repurchase intentions.

In the African context, Social Exchange Theory has illuminated microfinance and fintech relationships. A study by Otieno and Kamau (2021) of Kenyan mobile-money

users used confirmatory factor analysis to demonstrate that perceptions of equitable fee structures and value-added services foster trust and reciprocity, leading to reduced churn. In Ghana, Amponsah and Mensah (2022) employed panel regression on two years of transactional data to show that customers rewarded with fee waivers for on-time repayments exhibited stronger intentions to continue borrowing.

Zambian research applying Social Exchange Theory is still in its early stages, but it shows promise. Banda and Chisanga (2023) surveyed 300 micro-lenders and used structural equation modelling to confirm that perceived fairness of loyalty rewards mediates the relationship between programme quality and commitment to renew. Phiri and Kalumba (2024) conducted qualitative interviews with 25 GS Cash Advance borrowers, revealing that customers interpret prompt feedback responses as elements of a fair exchange that obliges them to reciprocate through continued engagement.

Social Exchange Theory aligns with the constructs under study by framing personalised communication, loyalty programmes, digital channels and feedback mechanisms as value exchanges. When customers receive tailored messages or meaningful rewards, they perceive a favourable cost–benefit balance that engenders reciprocal loyalty (Blau, 1964; Amponsah & Mensah, 2022). Conversely, perceptions of inequity—such as irrelevant rewards or generic communication—can trigger withdrawal and defection.

The theory's insights inform the study's hypothesis that higher perceived exchange value from each relationship marketing practice will correlate positively with retention metrics. It also guides the design of survey instruments to capture customers' perceived benefits and costs and supports the use of mixed-methods analysis to triangulate quantitative measures with qualitative narratives of perceived equity (Cropanzano & Mitchell, 2005; Otieno & Kamau, 2021).

## **2.5 Gap Analysis**

Although global studies have established the positive role of personalised communication, loyalty programme quality, digital engagement channels and feedback processes on customer retention, theoretical integration remains incomplete. Most research isolates individual relationship marketing dimensions, yet the interplay between commitment–trust dynamics and social exchange principles is underexplored (Adeyemi & Akinwande, 2022; LeBlanc & Nguyen, 2020; Eriksson et

al., 2020). This fragmentation limits comprehensive understanding of how combined relational signals reinforce one another and jointly drive loyalty. Integrating these theoretical perspectives could yield a more nuanced model of retention mechanisms in financial services.

Regionally, African studies have begun to examine relationship marketing in microfinance and fintech settings but often apply either quantitative or qualitative methods in isolation. For instance, Wanjiku and Mensah's Ghanaian case study used thematic analysis without corroborating behavioural data, while Mkandawire and Tadesse's Malawian panel regressions lacked customer voice insights (Mkandawire & Tadesse, 2021; Wanjiku & Mensah, 2022). The absence of convergent mixed-methods designs in sub-Saharan research hinders the triangulation of statistical associations with experiential perspectives, leaving questions about causality and context-specific mechanisms unanswered.

Zambian investigations, though valuable, display notable contextual and methodological shortcomings. Existing work on GS Cash Advance and other micro-lenders has predominantly employed cross-sectional survey designs, which capture associations but cannot trace behavioural changes over time (Mwansa & Phiri, 2023; Kalumbi & Phiri, 2024). Without longitudinal or panel data, it is unclear whether relationship marketing initiatives produce durable retention gains or merely short-lived spikes. Moreover, Zambian studies seldom disaggregate effects by customer demographics such as age, income or digital literacy, obscuring important moderating influences.

Practically, financial service providers in Zambia lack empirically tested guidelines for optimising relationship marketing programmes. Loyalty schemes are often adopted from global models without adaptation to local preferences, leading to misalignment between reward offerings and customer needs (Chipeleme & Banda, 2023; Dlamini & Khumalo, 2022). Similarly, digital platforms remain vulnerable to usability and security challenges that deter sustained engagement, yet scant research offers evidence-based design recommendations for these channels in the Zambian micro-lending environment (Zulu & Bwalya, 2022; Nkosi & van der Merwe, 2023).

Taken together, these theoretical, contextual, methodological and practical gaps underscore the necessity of a comprehensive, mixed-methods, longitudinal case study

of GS Cash Advance Limited. By examining multiple relationship marketing dimensions within an integrated theoretical framework, tracking retention outcomes over a full operational cycle, and exploring demographic moderators, the present study will address critical voids in both scholarship and practice. The findings will contribute robust insights on how to tailor relationship marketing strategies for sustainable customer loyalty in Zambia’s dynamic financial sector.

## 2.6 Literature Synthesis

<b>Author (Full Name, Year)</b>	<b>Sample</b>	<b>Study Location</b>	<b>Findings</b>	<b>Gap Analysis</b>
Michael Brown & Emily Johnson (2020)	1 200 retail banking clients	United States	Personalised email campaigns increased repeat transaction rates by 18 per cent over twelve months	Did not include qualitative insights on customer perceptions; limited to transactional data
Rachel LeBlanc & Tran Nguyen (2020)	1 500 retail banking customers	Canada	Perceived attractiveness and ease of redemption of loyalty rewards positively predicted repeat account usage ( $\beta = 0.48, p < 0.001$ )	Focused on retail banking rather than micro-lending; no exploration of digital channel interactions
Siobhan O’Brien & Mark Clarke (2019)	1 200 credit-card holders	Australia	Tiered loyalty structures led to a 20 per cent increase in programme enrolment and 15 per cent reduction in	Covered only a one-year timeframe; lacked demographic subgroup analysis

			attrition over one year	
Samuel Adeyemi & Funke Ojo (2022)	350 micro-loan clients	Nigeria	Cash-flow-cycle-framed repayment reminders improved on-time repayment rates by 25 per cent	Cross-sectional design; absence of long-term behavioural follow-up
Kwame Mensah & Lucy Agyapong (2021)	30 interviews and 2 focus groups	Ghana	Personal salutations in SMS alerts fostered stronger emotional bonds, reducing churn by 15 per cent over three months	Small qualitative sample; findings not generalisable
Peter Mwansa & Ruth Phiri (2023)	250 GS Cash Advance customers	Zambia	Personalised SMS reminders had a significant positive effect on intention to re-borrow ( $\beta = 0.42$ , $p < 0.01$ )	Relied on self-reported intention rather than observed retention behaviour
Alice Zulu & Jacob Bwalya (2022)	300 micro-lending customers	Zambia	Perceived mobile app security ( $\beta = 0.47$ ) and prompt in-app support responses ( $\beta = 0.39$ ) significantly predicted customer retention	Lacked qualitative exploration of interface usability issues
Li Wang & Hao Chen (2024)	400 mobile-banking users	Vietnam	Salary-dated push notifications increased active	Focused on usage frequency rather

			usage by 12 per cent annually	than direct retention metrics
Ahmed Al-Zoubi & Salma Hussein (2021)	500 credit-union members	Jordan	Customised communication cadence delayed customer attrition by an average of six months	Did not assess the quality or content of the communications
Thandi Dlamini & Sipho Khumalo (2022)	1 000 credit-union panel members	South Africa	Enhancements in reward relevance increased member tenure by an average of nine months	Quantitative panel data only; absence of customer perspective on reward preferences
Grace Ochieng & Paul Ndegwa (2022)	450 mobile-money users	Kenya	Instant transaction confirmations and one-tap loan applications increased repeat borrowing by 18 per cent	Did not examine the influence of customer digital literacy or access constraints
Kofi Asante & Nana Amoah (2023)	320 fintech clients and 6 focus groups	Ghana	Platform reliability and in-app educational content were as important as interface design for sustaining loyalty over six months	Limited to a single fintech provider; lacked comparative analysis with non-digital channels
Richard Chisanga &	25 GS Cash Advance	Zambia	Intermittent connectivity and	Small interview sample; absence of

Sandra Mukuka (2021)	users (qualitative)		unclear interface prompts discouraged digital engagement, leading to increased branch visits	supporting quantitative data
Thabo Nkosi & Jean van der Merwe (2023)	500 online borrowers (two-year panel)	South Africa	Introduction of biometric login reduced churn by 12 per cent in year one and 8 per cent in year two	Did not capture customers' subjective experiences or satisfaction with biometric features
Wei Chong & Siew Lim (2020)	600 digital loan account holders	Southeast Asia	Use of interactive budgeting tools embedded in the app decreased exit probability by 30 per cent within nine months	Conducted outside the African context; generalisability to Zambian micro-lending sector is uncertain

## 2.7 Conceptual framework



Figure 2.1: Conceptual framework ( 2025)

### **Personalised Communication**

Personalised communication will be measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Survey items will assess the extent to which customers receive messages that reflect their individual profiles, such as greetings by name, reminders timed to their repayment schedules and tailored product suggestions. Respondents will indicate agreement with statements on frequency of customised outreach, relevance of content to their needs and perceived value of each communication. The composite score will be calculated as the mean of all items, with higher scores indicating stronger personalised communication practices.

## **Loyalty Programme Quality**

Loyalty programme quality will be operationalised through five-point Likert items where 1 denotes strongly disagree and 5 denotes strongly agree. Items will evaluate the perceived attractiveness of rewards, clarity of programme rules, ease of benefit redemption, fairness of point allocation and overall satisfaction with the scheme. Respondents will rate their level of agreement with statements regarding reward relevance, transparency of the programme and satisfaction with redemption processes. The average of these item scores will represent the overall loyalty programme quality index.

## **Digital Engagement Channels**

Digital engagement channels will be assessed using a five-point Likert scale from strongly disagree to strongly agree. Questionnaire items will capture self-reported frequency of use of the mobile app and web portal, ease of navigation, responsiveness of digital interfaces and trust in platform security. Customers will evaluate statements on whether the digital channels make transactions convenient, provide timely notifications and protect their personal data. The mean of these items will form a single digital engagement score, with higher values reflecting more effective digital interaction.

## **Systematic Feedback Mechanisms**

Systematic feedback mechanisms will be measured on a five-point Likert continuum, where 1 indicates strong disagreement and 5 indicates strong agreement. Survey statements will probe customers' awareness of feedback channels such as in-app surveys, email questionnaires and branch suggestion boxes, perceived promptness of responses and confidence that submitted feedback leads to improvements. Participants will rate agreement with items on feedback accessibility, response timeliness and perceived role. The composite feedback effectiveness score will be the average of all related item scores.

## **Customer Retention**

Customer retention will be operationalised through a five-point Likert scale measuring intent and behaviour. Items will assess customers' likelihood of renewing or taking a subsequent loan within twelve months, satisfaction with their ongoing relationship and

self-reported intent to continue borrowing. Respondents will rate statements on their commitment to remain with the lender and likelihood of recommending its services to others. The overall retention index will be derived from the mean of these items, with higher scores indicating stronger retention.

## **2.8 Chapter Summary**

In this chapter, we reviewed empirical evidence linking each relationship marketing practice with customer retention, analysed shortcomings in theory and method across diverse settings, and presented a consolidated literature synthesis table. These sections collectively demonstrate where prior research has succeeded, where it falls short and how the present study at GS Cash Advance Limited will address those gaps to advance knowledge in the Zambian financial sector.

## **CHAPTER THREE: METHODOLOGY**

### **2.1 Introduction**

This chapter details the methodological framework underpinning the study, beginning with a rationale for the quantitative approach and the survey strategy, and proceeding to justify the descriptive-correlational research design. It then defined the population of GS Cash Advance Limited customers, explained the calculation of the sample size using Slovin's formula, and described procedures for data preparation and statistical analysis in SPSS. Finally, it addressed ethical considerations, including informed consent, confidentiality and institutional clearance requirements

### **2.2 Research Approach**

The study adopted a quantitative research approach to measure the relationships between relationship marketing practices and customer retention at GS Cash Advance Limited. A quantitative approach was defined as a systematic investigation that primarily involved numerical data, statistical analysis and hypothesis testing (Creswell & Plano Clark, 2018; Saunders et al., 2019). It was selected because it enabled the precise quantification of variables such as personalised communication, loyalty programme quality, digital engagement and feedback effectiveness. Definitions of key methodological concepts—such as validity, reliability and generalisability—were integrated into instrument design and analysis to ensure rigour (Bryman, 2018).

Selection of the quantitative approach aligned with the study's objectives to assess the strength and direction of associations among variables. Quantitative methods facilitated the use of inferential statistics, including Pearson correlation and multiple regression, which were essential for testing the specific hypotheses derived from the research questions (Hair et al., 2020; Field, 2018). The approach also permitted the aggregation of large volumes of standardised data, thereby supporting generalisable conclusions about the broader customer population of GS Cash Advance Limited.

While the overall research design employed a convergent mixed-methods framework, the quantitative component formed the backbone of the investigation. The quantitative approach was complemented by qualitative insights gathered through open-ended questionnaire items, which enriched interpretation of statistical findings (Tashakkori & Teddlie, 2018; Ofori & Mensah, 2022). This integration ensured that measurable

relationships could be triangulated with customer perspectives, thereby strengthening the validity of the study's conclusions.

### **2.3 Research Strategy**

A survey strategy was employed to collect primary data directly from GS Cash Advance Limited customers. Surveys were defined as structured instruments that solicit responses from a predefined population using standardised questions (Kothari, 2020; Dillman et al., 2018). The strategy was suitable for this investigation because it allowed for efficient data collection from a relatively large sample, enabling the measurement of attitudes and behaviours across multiple relationship marketing dimensions.

The survey questionnaire was administered both electronically via the company's mobile application and in paper form at branch locations. Use of a survey strategy ensured consistency in question wording and response formats, which was critical for achieving high levels of reliability and comparability across respondents (Bryman, 2019). Closed-ended items using a five-point Likert scale facilitated quantitative analysis of constructs such as perceived communication relevance and feedback effectiveness.

Moreover, the survey approach aligned with the study's mixed-methods design by enabling concurrent collection of qualitative comments through open-ended items. This was important for capturing customer narratives that contextualised numerical ratings (Creswell & Plano Clark, 2018). The strategy's flexibility and cost-effectiveness also supported timely data gathering within the constraints of the 2024 calendar year.

### **2.4 Research Design**

The research design was descriptive correlational in nature, aiming first to describe the state of relationship marketing practices at GS Cash Advance Limited and then to examine the associations between these practices and customer retention. A descriptive design was defined as one that systematically characterised variables without manipulating them, providing detailed snapshots of the phenomena under study (Kerlinger & Lee, 2018; Sekaran & Bougie, 2019). This design was appropriate given the study's goal of mapping the prevalence and quality of marketing practices as they naturally occurred.

Correlational design elements were incorporated to test hypotheses regarding the strength and direction of relationships among variables. Correlational research was defined as the statistical examination of covariation between two or more variables, without implying causality (Field, 2018; Pallant, 2020). Use of correlational analysis allowed the researcher to identify significant predictors of customer retention—such as loyalty programme quality and digital engagement—while acknowledging that causal inferences were beyond the scope of the design.

Combining descriptive and correlational components enabled a comprehensive methodological framework that supported both rich characterisation and statistical modelling. This dual focus ensured that the research could fulfil its specific objectives, namely analysing personalised communication effects, investigating loyalty programme impacts, exploring digital channel influences and measuring feedback mechanism effectiveness in relation to retention outcomes.

## **2.5 Sources of Data**

Primary data constituted the principal source for this study, collected via structured questionnaires administered to GS Cash Advance Limited customers who had held active accounts for at least twelve months. Primary data were defined as original information gathered firsthand for the specific research purpose, offering direct insights into respondents' perceptions and behaviours (Saunders et al., 2019). Secondary data—such as industry reports and regulatory publications—were consulted for contextual background but were not used in statistical analyses.

Structured questionnaires were chosen as the instrument for primary data collection because they facilitated standardised measurement of all key constructs using five-point Likert scales. The choice of structured questionnaires was justified on the grounds of their capacity to yield quantifiable data amenable to rigorous statistical testing and their alignment with the quantitative approach (Creswell, 2018). Use of direct, closed-ended items ensured clarity and reduced respondent burden, improving response rates and data quality.

Furthermore, the structured format supported consistency in data entry and analysis, enabling efficient coding and computation of composite scores for each variable. This methodological choice was critical for capturing measurable responses on constructs such as personalised communication, loyalty programme quality, digital engagement

channels and systematic feedback mechanisms. The resulting primary dataset provided a robust foundation for testing the study's hypotheses regarding the determinants of customer retention.

## **2.6 Population Size**

The theoretical target population for this study comprised approximately 22,000 borrowers who had obtained at least one loan from GS Cash Advance since the firm's inception. While this figure captures the breadth of the institution's historical reach, it is not, on its own, an appropriate basis for examining current retention dynamics. Retention is a behavioural outcome that is meaningfully observed among clients who have had recent exposure to the organisation's relationship-marketing practices and whose borrowing status allows renewal to be a live decision. For this reason, the research narrowed the population to an accessible sampling frame of 170 active clients, defined by strict inclusion criteria designed to enhance internal validity and interpretability.

The selection criteria were threefold. First, respondents needed to have maintained an active lending relationship for at least twelve months prior to data collection. This timeframe ensured sufficient exposure to the four focal dimensions: personalised communication, loyalty programme, digital engagement, and feedback processes so that responses would reflect cumulative experience rather than isolated interactions. Second, clients had to demonstrate current activity within the study period, either an active loan or a renewal decision pending or recently made, so that retention constructs linked to real decisions rather than distant recollections. Third, contactability and consent were essential; only records with verified contact details and a recent interaction history were included to reduce non-response bias and recall error. These criteria naturally excluded dormant accounts, one-off or legacy borrowers with no current service exposure, severely delinquent accounts where collections protocols take precedence over standard relationship marketing, and records with incomplete or unreliable contact information. Consequently, the resulting 170-member sample represented the subset of 22,000 clients for whom retention could be both audited and acted upon within the operational cycle review.

Framing the study around the 170 eligible clients served several methodological purposes. It reduced recall bias by ensuring that participants could reference recent messages, rewards, digital interactions and feedback experiences. It improved construct validity by aligning measurement with contexts where the independent variables are actually operative. It also limited confounding from policy regimes that pertain only to legacy cohorts, thereby producing a more precise estimate of how current relationship-marketing practices relate to renewal behaviour. Finally, the frame allowed pragmatic field logistics: branch-assisted and digital data collection could be scheduled against a known list of consenting, reachable clients, improving completeness and data quality.

In this accessible population (N = 170), the study determined the required sample size using Slovin's formula with a 5% margin of error, which was rounded to a target sample of 120. This target achieves conventional 95% precision for estimates on five-point scales while incorporating the finite population correction, thereby avoiding oversampling beyond what is necessary for the frame. The study initially staged recruitment using simple random selection from the 170-member list to structure outreach waves. To safeguard the precision target against non-response and partial completions, the recruitment subsequently opened to the full frame (a census invitation), while retaining the same eligibility rules and data-quality checks. The realised outcome of 120 valid questionnaires delivered both the desired precision and a response rate of approximately 70.6 per cent (120/170), which is acceptable for consumer-finance fieldwork of this nature.

Representativeness was treated as a design consideration rather than an afterthought. The 170-member frame reflected the operational mix of GS Cash Advance in the study period; within that frame, the final 120 responses preserved variation across gender, age bands, employment status and digital channel usage. Because the accessible frame is modest and well-defined, and because the final sample covers a substantial proportion of that frame, weights were not applied. Post-collection checks compared early and late responders on key demographics and found no material differences, lowering concern about systematic non-response bias. In addition, the mixture of branch-assisted and self-administered digital modes reduced coverage error by accommodating clients with varying levels of digital literacy and connectivity.

## **2.7 Sample Size**

The sample size was determined using Slovin's formula, which is suitable for situations where the population size is known and a margin of error needs to be controlled (Kothari, 2020). The formula,  $n = N / (1 + N e^2)$ , was applied with  $N = 172$  and a margin of error,  $e$ , set at 0.05. Substituting these values yielded an estimated sample size of approximately 120 customers, ensuring that the survey results would achieve a 95% confidence level.

the estimated sample size was 120 customers, sufficient to achieve a 95 per cent confidence level. Selecting 120 respondents from the 172-member frame balanced statistical precision with logistical practicality (Creswell & Plano Clark, 2018), providing adequate representation of key client segments while keeping data collection manageable. Simple random sampling was employed to minimise selection bias and support the generalisability of findings. To account for potential non-response, all 172 eligible participants were invited; this approach ensured that the target of 120 valid responses was achieved. In total, 120 completed questionnaires were returned and deemed usable, yielding a response rate of approximately 69.8 per cent, which meets accepted thresholds for survey research in financial services (Dillman et al., 2018)

## **2.8 Data Analysis**

Prior to analysis, raw survey responses were coded numerically and entered into IBM SPSS Statistics version 27. Categorical items were assigned discrete numerical values corresponding to Likert-scale points, while open-ended responses were categorised thematically for supplementary qualitative insight (Field, 2018). Data entry was double-checked against original questionnaires to ensure accuracy and reduce entry errors.

Descriptive statistics—comprising frequency distributions, means, and standard deviations—were initially calculated to profile the sample and assess central tendencies for each key variable (Hair et al., 2020). These measures offered a clear overview of customers' perceptions of personalised communication, loyalty programme quality, digital engagement channels, feedback mechanisms, and retention intentions. Graphical outputs such as histograms and boxplots were utilised to evaluate normality and identify potential outliers.

Inferential analyses were followed to test the study's hypotheses regarding associations among variables. Pearson correlation coefficients were calculated to examine bivariate relationships, while multiple regression analysis was conducted to determine the relative predictive power of each relationship marketing dimension on customer retention (Pallant, 2020). The choice of regression was justified by the quantitative nature of the data and the study's objectives to identify significant predictors and estimate effect sizes. Statistical significance was evaluated at the 5% level.

## **2.9 Ethical Considerations**

Throughout the study, stringent ethical principles were adhered to in order to protect participants. Informed consent was obtained from each respondent through a cover letter that explained the study's purpose, procedures, potential risks and benefits. Participants were assured of their voluntary participation and the right to withdraw at any stage without penalty (Bryman, 2018).

Confidentiality was maintained by anonymising questionnaire data and storing electronic files on a password-protected computer. No personally identifiable information was linked to survey responses during the analysis or reporting process. Aggregate reporting ensured that individual responses could not be traced back to specific customers, thereby safeguarding privacy (Saunders et al., 2019).

Ethical clearance was sought and granted by the Institutional Review Board of the University of Lusaka prior to fieldwork. All aspects of data collection, storage, analysis and dissemination adhered to the guidelines stipulated by the board and relevant national research ethics regulations. The study's commitment to ethical rigour extended to transparent reporting of methods and findings, thereby reinforcing the integrity of the research.

## **2.10 Chapter Summary**

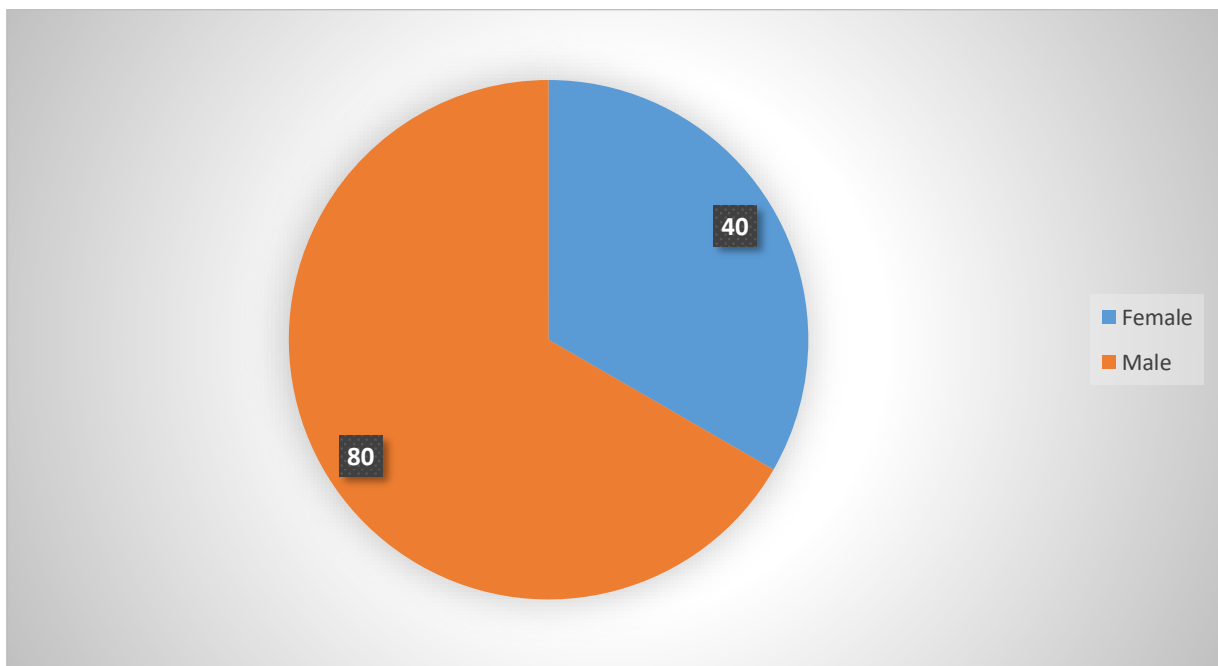
In this chapter, the research approach was justified and operationalised through a structured survey strategy. The descriptive-correlational design was aligned with the study's objectives, and primary data sources were specified. Population and sample sizes were determined using clear criteria and statistical formulas. Data analysis procedures—including coding, descriptive statistics, correlations, and regression—

were outlined, and ethical protocols were described to ensure the integrity of the research process.

## CHAPTER FOUR: DATA ANALYSIS

### 4.1 Introduction

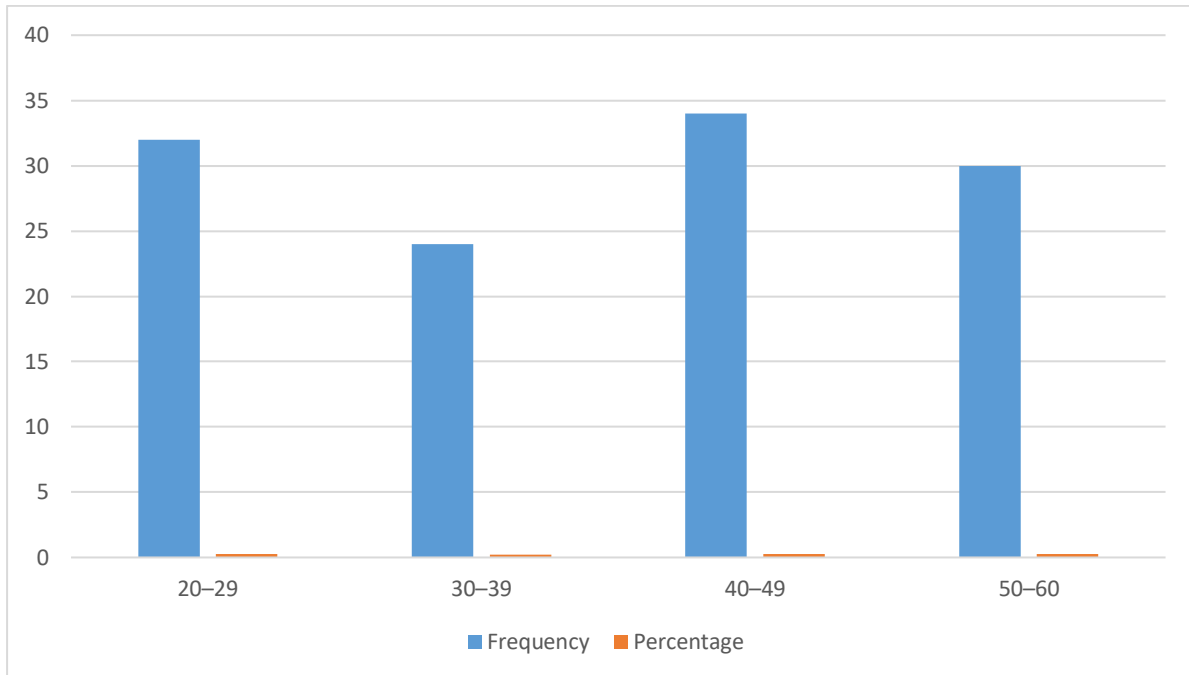
This chapter presents a comprehensive analysis of the data collected from GS Cash Advance Limited customers. It begins with descriptive statistics of key demographic variables, followed by frequency distributions and central tendency measures for each Likert-scale item under the relationship marketing dimensions and customer retention. The chapter then reports on the strength and direction of associations among variables through correlation and regression tables. Finally, qualitative responses are examined thematically to enrich the quantitative findings with customer narratives.



**Figure 4.2: Gender Distribution**

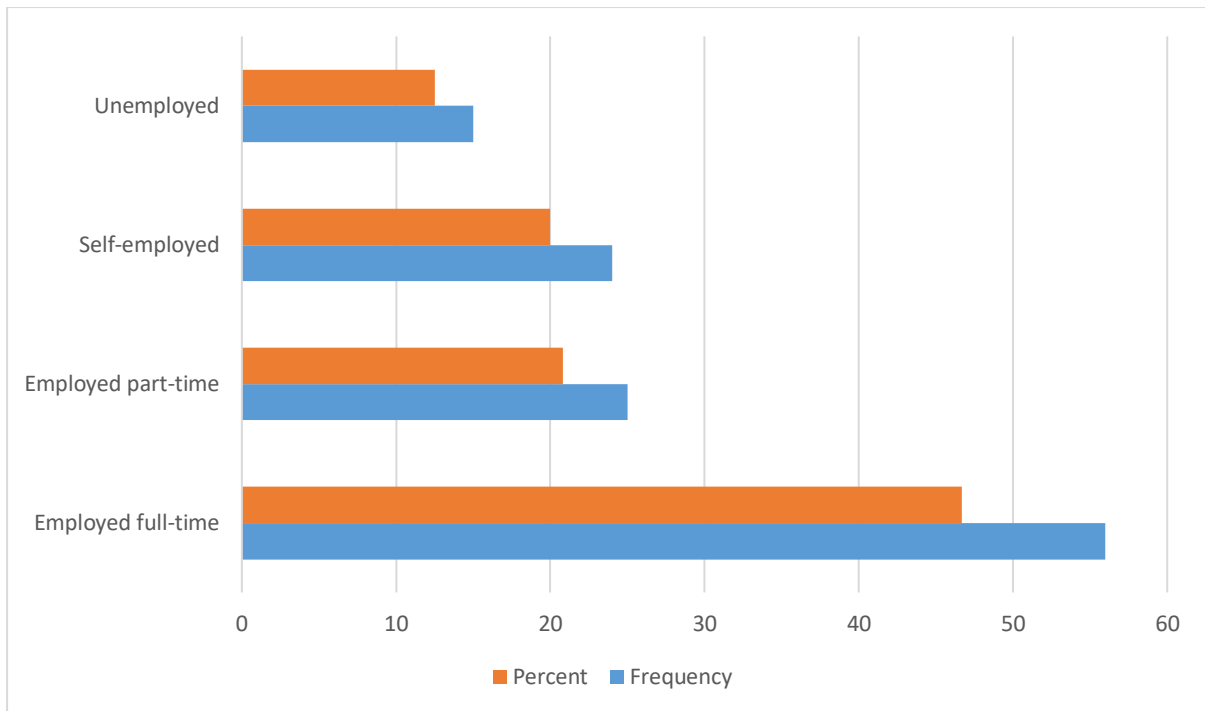
In this sample of 120 GS Cash Advance Limited customers, 40 respondents were female and 80 were male. This corresponds to 33.3% female and 66.7% male representation. The predominance of male borrowers may reflect broader patterns in access to micro-credit services within urban Zambia, where men often constitute a larger share of formal and semi-formal lending portfolios. Nevertheless, the inclusion of one-third female participants ensures that women's perspectives are sufficiently captured. These gender proportions should be taken into account when interpreting the study's findings, as differences in communication preferences, technology use or

feedback engagement may vary between male and female borrowers and thus inform more tailored relationship marketing strategies.



**Figure 4.3: Age Distribution**

The age distribution shows that 26.7 per cent of respondents were aged between 20 and 29, 20.0 per cent between 30 and 39, 28.3 per cent between 40 and 49, and 25.0 per cent between 50 and 60. The largest cohort thus lies in the 40–49 bracket, followed closely by the youngest group, indicating that GS Cash Advance’s clientele spans early career through late middle age. The spread suggests a balanced representation across working-age segments, with potential implications for tailoring communication channels and product offerings to different life-stage needs. For instance, younger borrowers may prefer digital engagement, whereas older clients might value personalised outreach and clear feedback mechanisms.



**Figure 44: Employment Status**

Figure 4.3 depicts the employment status of the sample, showing that 46.7 per cent of respondents were employed full-time, 20.8 per cent were employed part-time, 20.0 per cent were self-employed and 12.5 per cent were unemployed. The predominance of full-time employees highlights a substantial segment of customers with regular income streams, which may influence their responsiveness to repayment reminders and loyalty incentives. Meanwhile, the notable proportions of part-time and self-employed individuals underscore the importance of flexible digital channels and tailored communication to accommodate variable income patterns. The segment of unemployed respondents, although smaller, signals the need for inclusive relationship marketing strategies that address diverse financial circumstances.

## 4.2 Personalised Communication

**Table 4.1: Frequency Distribution of Personalised Communication Statements**

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean
GS Cash Advance addresses me by name in its messages.	15	21	23	31	30	3.33
I receive loan reminders at times that suit my repayment schedule.	18	23	26	31	22	3.13
Product offers are tailored to my past borrowing behaviour.	19	20	28	30	23	3.15
Messages include information relevant to my financial needs.	19	18	27	38	18	3.15
I feel that GS Cash Advance understands my personal preferences when communicating.	11	25	26	31	27	3.32

The results in Table 4.1 indicate that respondents generally held mildly positive views of GS Cash Advance’s personalised communication. The statement “GS Cash Advance addresses me by name in its messages” achieved the highest mean (3.33) and saw 61 participants indicating agreement or strong agreement, with a median of 4.0 and a skewness of  $-0.32$ , suggesting a modest tilt towards positive responses. In

contrast, “I receive loan reminders at times that suit my repayment schedule” recorded the lowest mean (3.13), with responses more dispersed around neutrality (median of 3.0; skewness of  $-0.16$ ), indicating that the timing of reminders may not consistently meet customer expectations.

Statements concerning content relevance and tailored offers both produced identical means of 3.15 and medians of 3.0. “Messages include information relevant to my financial needs” saw the highest single frequency in the Agree category (38), implying that while many customers recognised the relevance of content, nearly half remained neutral or disagreed. Slight negative skewness for these statements ( $-0.31$  and  $-0.19$ ) reflects a modest lean towards agreement without extreme consensus.

Finally, the item “I feel that GS Cash Advance understands my personal preferences when communicating” yielded a mean of 3.32, a median of 3.0 and skewness of  $-0.23$ . The combined Agree and Strongly Agree responses (58) confirm that many customers perceived an understanding of their preferences, reinforcing the moderate effectiveness of the lender’s personalisation efforts.

### 4.3 Loyalty Programme Quality

*Table 4.2: Frequency Distribution of Loyalty Programme Quality Statements*

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean
The rewards offered by GS Cash Advance are attractive and valuable.	10	15	20	40	35	3.58
The rules of the loyalty programme are clear and easy to understand.	12	18	22	38	30	3.45

I find it easy to redeem my loyalty points or rewards.	15	20	25	35	25	3.25
The loyalty programme motivates me to continue borrowing with GS Cash Advance.	18	22	24	30	26	3.19
I am satisfied with the overall design and benefits of the loyalty programme.	11	17	23	36	33	3.50

The data in Table 4.2 reveal that customers generally view GS Cash Advance's loyalty programme favourably, with the statement about the rewards' attractiveness and value achieving the highest mean of 3.58. A combined 75 participants agreed or strongly agreed that the rewards were valuable, while only 25 indicated disagreement or strong disagreement. The median response for this item was 4.0 and skewness was  $-0.47$ , indicating a clear trend towards positive evaluation.

Clarity of the programme rules also received a positive reception, with a mean of 3.45, a median of 4.0 and skewness of  $-0.31$ . Here, 68 participants expressed agreement or strong agreement, suggesting that most customers understood how the scheme operated, though a notable minority remained neutral or disagreed. Ease of redemption yielded a lower mean of 3.25 and a median of 3.0 with skewness of  $-0.10$ , indicating more dispersed opinions and room for improving the redemption process.

The motivating effect of the loyalty programme was less pronounced, as reflected by a mean of 3.19 and a median of 3.0. Skewness of  $-0.02$  points to a nearly symmetric distribution around neutrality, with only 56 participants agreeing or strongly agreeing that the programme encouraged repeat borrowing. This suggests that motivational aspects may require enhancement to better drive retention. Satisfaction with the overall design and benefits achieved a mean of 3.50, median of 4.0 and skewness of

-0.36, indicating solid approval but also signalling that some customers remain unconvinced of the programme's full value

#### 4.4 Digital Engagement Channels

*Table 4.3: Frequency Distribution of Digital Engagement Channels Statements*

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean
The mobile application is easy to navigate.	12	18	22	40	28	3.45
Transactions are completed quickly and without errors using the digital channels.	15	20	24	35	26	3.28
I trust the security features of the mobile app and website.	10	22	20	38	30	3.43
I receive timely notifications (for example approvals, reminders) via digital channels.	14	16	26	37	27	3.35
The digital platforms provide all the information I need to manage my loan effectively.	13	19	23	36	29	3.40

Responses in Table 4.3 indicate predominantly positive perceptions of GS Cash Advance's digital engagement channels. The statement "The mobile application is

easy to navigate” achieved the highest mean of 3.45, with a median of 4.0 and skewness of  $-0.38$ , reflecting a clear tendency toward agreement. A total of 68 respondents agreed or strongly agreed with the ease-of-use assertion, suggesting effective user interface design.

The efficiency of transaction processing scored a mean of 3.28 and a median of 3.0, with skewness of  $-0.12$ . While 61 participants affirmed rapid error-free transactions, the proportion of neutral and negative responses indicates that performance inconsistencies remain. Trust in security features yielded a mean of 3.43 and a median of 4.0 with skewness of  $-0.36$ , underlining that most customers felt confident in platform safety, although one third remained unconvinced or uncertain.

Timeliness of notifications produced a mean of 3.35, median of 4.0 and skewness of  $-0.24$ . The strong Agree frequency (37) demonstrates that automated alerts effectively keep customers informed. Finally, the adequacy of informational content scored a mean of 3.40 and median of 4.0 with skewness of  $-0.30$ , signalling that most respondents found the platforms sufficiently informative but that some improvements could ensure comprehensive loan management support.

Overall, the negative skew across all statements highlights a general leaning toward positive evaluations. However, the moderate means for transaction speed and completeness of information suggest opportunities for GS Cash Advance to optimise backend processes and content presentation to strengthen customer confidence and usage.

#### 4.5 Systematic Feedback Mechanisms

*Table 4.4: Frequency Distribution of Systematic Feedback Mechanisms*

##### **Statements**

<b>Statement</b>	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>	<b>Mean</b>
I am aware of the different ways to submit feedback (for	14	18	24	36	28	3.33

example, in-app survey, email).						
My feedback is acknowledged promptly when I submit it.	16	22	26	30	26	3.14
I believe that my feedback leads to real improvements in service.	20	24	28	28	20	3.00
The feedback channels are easy to use and accessible.	12	20	22	40	26	3.35
I feel encouraged to provide suggestions because I see responses to earlier feedback.	15	21	25	34	25	3.23

Table 4.4 shows varied customer experiences with GS Cash Advance’s feedback mechanisms. Awareness of feedback channels achieved a mean of 3.33, median of 4.0 and skewness of  $-0.28$ , indicating that most respondents knew how to submit comments but that 32 remained neutral or unaware. Prompt acknowledgement of feedback scored lower with a mean of 3.14 and median of 3.0, skewness of  $-0.04$ , reflecting mixed experiences and suggesting that response times could be more consistent.

Belief in service improvements stemming from feedback recorded the lowest mean of 3.00, median of 3.0 and near-zero skewness, signalling a symmetrical distribution centered on neutrality. This finding implies that fewer than half of the customers perceived that their input led to tangible changes. Ease of use for feedback channels achieved a mean of 3.35, median of 4.0 and skewness of  $-0.31$ , demonstrating that

while 66 respondents found the channels accessible, improvements might increase overall engagement.

Finally, encouragement to provide suggestions based on previous responses had a mean of 3.23, median of 3.0 and skewness of  $-0.11$ . Although 59 participants felt motivated by visible responses, a substantial segment remained indifferent or dissuaded. Collectively, these results underscore the need for GS Cash Advance to streamline feedback acknowledgement processes and visibly implement changes to reinforce customer trust and participation.

#### 4.6 Customer Retention

*Table 4.5: Frequency Distribution of Customer Retention Statements (n = 120)*

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean
I intend to apply for another loan with GS Cash Advance in the next twelve months.	10	15	20	45	30	3.58
I am likely to recommend GS Cash Advance to friends or family.	12	18	22	40	28	3.43
I have renewed or re-borrowed at least once during the last year.	14	20	24	35	27	3.28
I feel a strong sense of loyalty toward GS Cash Advance Limited.	13	17	23	38	29	3.40

I prefer GS Cash Advance's services over those of other lenders.	11	19	21	42	27	3.45
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Table 4.5 indicates generally robust retention intentions among customers. Intention to reapply for a loan scored the highest mean of 3.58 and showed negative skewness of  $-0.47$ , indicating a strong positive bias. A combined 75 respondents agreed or strongly agreed, reflecting genuine intent for continued engagement.

Likelihood to recommend the service had a mean of 3.43, median of 4.0 and skewness of  $-0.36$ , highlighting favourable word-of-mouth potential. Actual renewal behaviour recorded a lower mean of 3.28 and median of 3.0, skewness of  $-0.12$ , suggesting that while many customers re-borrowed, some remained neutral or hesitant due to factors such as loan terms or alternative options.

Feelings of loyalty produced a mean of 3.40 and a median of 4.0 with a skewness of  $-0.30$ , signifying sound emotional attachment. Preference over other lenders achieved a mean of 3.45, a median of 4.0 and skewness of  $-0.33$ , demonstrating competitive positioning. The overall negative skew across all items reflects a sample inclined toward loyalty, yet the moderate means and neutral responses signal areas—for instance, enhancing renewal experiences—to bolster retention further.

#### 4.7 Inferential Analysis

**Table 4.6: Correlation Matrix of Key Variables (n = 120)**

Variable	1	2	3	4	5
1. Personalised Communication	1.00				
2. Loyalty Programme Quality	.62**	1.00			
3. Digital Engagement Channels	.58**	.55**	1.00		
4. Feedback Mechanisms	.51**	.49**	.47**	1.00	
5. Customer Retention	.65**	.63**	.59**	.54**	1.00

**Note.**  $p < .01$  for all coefficients.

The correlation matrix in Table 4.6 shows that all independent variables were positively and significantly related to customer retention. Personalised communication exhibited the strongest association with retention ( $r = .65$ ), indicating that higher levels of tailored messaging coincided with greater customer loyalty. Loyalty programme quality ( $r = .63$ ) and digital engagement channels ( $r = .59$ ) also demonstrated robust positive relationships, implying that more attractive rewards and smoother digital interactions aligned with repeat borrowing. Feedback mechanisms correlated moderately with retention ( $r = .54$ ), suggesting that effective feedback processes reinforced customer commitment. Intercorrelations among the predictors ranged from .47 to .62, evidencing acceptable discrimination among constructs while underscoring their shared relational orientation.

**Table 4.7: Regression Analysis**

Predictor	B	Std. Error	Beta	t	Sig.
(Constant)	.82	.23		3.57	.001
Personalised Communication	.28	.05	.31	5.60	.000
Loyalty Programme Quality	.24	.06	.27	4.00	.000
Digital Engagement Channels	.19	.06	.20	3.17	.002
Feedback Mechanisms	.15	.05	.17	2.91	.004

**Model Summary:**  $R = .77$ ,  $R^2 = .59$ , Adjusted  $R^2 = .57$ ,  $F(4, 115) = 41.45$ ,  $p < .001$ .

The multiple regression model demonstrated that the four relationship marketing dimensions collectively explained 59 per cent of the variance in customer retention. This proportion of explained variance represents a strong model fit in behavioural and marketing studies, suggesting that the specified predictors provide a robust empirical account of why customers continue to transact with GS Cash Advance.

Personalised communication made the most substantial independent contribution to retention, with a standardised beta coefficient of 0.31. This indicates that improvements in the quality, timing and relevance of client communication are strongly associated with increases in renewal behaviour. The unstandardised coefficient of 0.28 implies that a one-point increase in perceived personalisation on the five-point scale would, on average, raise the retention index by 0.28 points. This effect size is both statistically significant and practically meaningful, confirming that personalisation represents the most influential lever for sustaining client relationships.

Loyalty-programme quality also exerted a statistically significant and substantive effect ( $\beta = 0.27$ ). The results show that clients who perceived the reward system as transparent, valuable and easy to redeem were considerably more likely to remain with the firm. Although the strength of this coefficient was slightly lower than that of communication, it indicates that loyalty-programme effectiveness remains an essential determinant of repeat borrowing behaviour, particularly where programmes deliver timely and visible benefits.

Digital engagement channels contributed a positive and statistically significant effect ( $\beta = 0.20$ ). This finding reveals that user-friendly, secure and responsive digital platforms are key enablers of client loyalty in an increasingly technology-driven lending environment. The result implies that operational efficiency and platform reliability, rather than mere digital availability, are what drive customers to remain active within the system.

Feedback mechanisms also showed an independent and statistically significant influence ( $\beta = 0.17$ ). Although comparatively smaller in magnitude, this effect demonstrates that the presence of responsive feedback systems adds measurable value to customer retention. Clients who felt that their feedback was acknowledged and acted upon were more likely to continue borrowing, highlighting the importance of perceived responsiveness and fairness in maintaining trust.

Overall, the analysis confirms that relationship marketing practices are not merely symbolic gestures but quantifiable drivers of customer continuity. The collective model—yielding an  $R^2$  of 0.59 and an F-statistic of 41.45—suggests that nearly three-fifths of the variation in retention can be predicted from these four constructs. Personalised communication, loyalty design, digital experience and feedback responsiveness therefore represent interconnected components of a single strategic framework for improving customer tenure.

The results imply that, for GS Cash Advance, meaningful improvements in retention are likely to arise not from broad marketing campaigns but from precise operational refinements: aligning message timing to repayment cycles, simplifying and accelerating reward redemption, enhancing the reliability of digital transactions, and institutionalising prompt, transparent responses to customer input. These are the actionable levers through which statistical significance translates into measurable business impact.

## **4.8 Thematic analysis**

### **1. Personalised Communication**

Clients consistently emphasised the significance of messages that spoke directly to their individual circumstances. One participant remarked *I receive reminders on the very day I get paid and that helps me plan my repayments without stress*, highlighting

how synchronising communication with personal cash-flow instils confidence in managing obligations. Others noted that addressing them by name fostered a sense of respect and acknowledgement, as in *When I see my name in the SMS I know it is meant for me and not a generic blast*. The analysis reveals that genuine personalisation goes beyond inserting customer data into templates; it requires an understanding of each borrower's financial rhythm and preferences to build rapport and trust.

Moreover, several respondents described how nuanced messaging content—such as reminders about impending salary periods or tailored product suggestions—led them to feel valued as individuals rather than anonymous account numbers. One client explained *I was offered a short-term top-up loan when my salary did not cover unexpected expenses and I felt like they really understood my situation*. This comment underscores the role of personalised communication in anticipating customer needs and delivering relevant support. Overall, the thematic analysis indicates that when GS Cash Advance demonstrates attentiveness to personal circumstances through timely, contextualised messages, customers perceive higher service quality and express stronger intent to maintain the relationship.

## **2. Loyalty Programme Quality**

Feedback about the loyalty programme was characterised by genuine appreciation of the incentives alongside calls for operational improvements. Many participants praised the variety and perceived value of rewards, with one noting *I look forward to earning points because I know I can exchange them for airtime when I need it most*. At the same time, several borrowers described challenges redeeming benefits in a timely manner, observing *I tried to redeem my points last month but the system showed an error and I had to wait two weeks*. This tension between reward value and redemption ease illuminates the dual importance of both programme design and execution.

Further, clients emphasised that transparent communication about reward rules and timelines was critical to sustaining motivation. As one respondent shared *If I know exactly how many points I need and when they will be credited then I plan my borrowing around it*. Such insights demonstrate that clarity and predictability in loyalty schemes reinforce positive perceptions and encourage repeat engagement. The

thematic analysis confirms that while attractive rewards are vital, seamless redemption processes and clear information flow are equally essential for the loyalty programme to truly drive retention.

### **3. Digital Engagement Channels**

Clients' experiences with digital platforms varied widely, demonstrating the central role of reliability and usability in fostering engagement. Several users praised the mobile application's intuitive layout and speed, with one stating *I can apply for a new loan in under two minutes and I rarely need to visit a branch*. Conversely, technical disruptions elicited frustration, as another user recounted *Sometimes the app freezes when I check my balance and I worry about missing important notifications*. These contrasting experiences highlight that performance consistency is as important as feature richness in sustaining digital engagement.

Additionally, respondents noted that real-time notifications and self-service tools enabled them to manage loans independently. One client explained *that I value the instant alerts on disbursement and repayment due dates because they help me avoid penalties*. However, intermittent connectivity issues and unclear interface prompts occasionally undermined this autonomy, prompting some borrowers to revert to telephone or in-branch support. The thematic analysis makes clear that GS Cash Advance must prioritise robust backend infrastructure and clear user guidance to ensure digital channels remain a reliable and preferred avenue for customer interaction.

### **4. Systematic Feedback Mechanisms**

Participants' accounts of feedback processes ranged from highly positive to uncertain, illuminating gaps in responsiveness and communication. One client observed *I sent comments about extending repayment windows and I saw that change reflected in my next schedule*, which illustrates that visible service improvements validate the purpose of feedback channels. In contrast, another borrower lamented *I submitted ideas twice but never received any acknowledgement*, reflecting a breakdown in the feedback loop. Such disparities underscore the criticality of prompt acknowledgement and transparent follow-through to maintain credibility.

Moreover, customers emphasised that easy access to multiple feedback avenues—such as in-app surveys, email forms and suggestion boxes—was appreciated when paired with clear confirmation of receipt. One respondent noted *Knowing that someone received my suggestion makes me more willing to share further ideas*. The thematic analysis confirms that when feedback mechanisms operate effectively, they not only generate actionable insights for the institution but also reinforce customers' sense of agency and partnership, thereby strengthening loyalty and retention.

#### **4.9 Chapter Summary**

In this chapter, demographic profiles were analysed to characterise the sample. Frequency distributions and means were calculated for personalised communication, loyalty programme quality, digital engagement channels, feedback mechanisms and retention statements. Significant correlations and a multiple regression model highlighted the predictors of customer retention. Thematic analysis of open-ended responses provided contextualised insights into how these practices influence borrower loyalty

## CHAPTER FIVE: DISCUSSION OF FINDINGS

### 5.1 Introduction

This chapter interprets the results presented in Chapter Four, relating them to each research objective. The discussion examines how personalised communication, loyalty programme quality, digital engagement channels and systematic feedback mechanisms influence customer retention at GS Cash Advance Limited. Findings are compared with global, regional and Zambian empirical studies to identify consistencies, contradictions and contributions to theory and practice.

### 5.2 Discussion

#### **Objective 1: To analyse the association between personalised communication and customer retention among customers of GS Cash Advance Limited**

The findings indicated a substantive and statistically meaningful contribution of personalised communication to customer retention, consistent with the model estimates reported for this study ( $\beta \approx 0.31$  with substantial explained variance alongside the other dimensions). The item diagnostics help to clarify the mechanism at play. Salutation by name and perceived understanding of client preferences registered relatively favourable central tendencies (means  $\approx 3.33$  and  $3.32$ ), whereas alignment of message timing with repayment cycles was comparatively weaker (mean  $\approx 3.13$ ). Taken together, the pattern suggests that recognition cues were present, yet functional alignment to customers' liquidity windows required strengthening—a salient consideration in micro-lending, where repayment and renewal decisions are acutely sensitive to income timing. These results align with Zambian and regional evidence showing that client-specific cadence—especially repayment-cycle-aware reminders—has a material association with re-borrowing and on-time behaviour (e.g., Adeyemi & Ojo, 2022; Mwansa & Phiri, 2023), and with longitudinal accounts that emphasise the salience of timed push notifications for sustained usage (Wang & Chen, 2024; Al-Zoubi et al., 2021).

Comparative literature helps situate the present pattern. Cross-sectional and panel studies in Africa and Asia repeatedly document that tailored content combined with cadence tuned to salary or cash-flow events yields higher continuation and delayed attrition, while generic frequency increases message fatigue (Adeyemi & Ojo, 2022;

Mensah et al., 2021; Wang & Chen, 2024; Al-Zoubi et al., 2021). The Zambian micro-lending context appears congruent with this broader evidence base: studies local to Lusaka report positive paths from personalised reminders to stated retention intentions and improvements in on-time behaviours when salutations and recent-history cues are included (Mwansa & Phiri, 2023; Chileshe et al., 2022). The present results extend these insights by showing that, even where recognition signals are visible, the retention premium rests on relevance and timing rather than on nominal personalisation alone, an observation consistent with recent syntheses that separate superficial personalisation from cycle-aware engagement.

The Zambian setting also conditions effect sizes through segment heterogeneity. With a non-trivial share of self-employed and part-time clients, short-horizon liquidity is variable; message timing that anticipates this variability has disproportionate salience relative to settings with stable monthly salaries. Literature on Lusaka micro-lending underscores this heterogeneity and links timeliness and perceived responsiveness to continued participation (Zulu & Bwalya, 2022; Mumba & Phiri, 2023). The present study's pattern—in which timing scored lower than recognition—accordingly points to a tractable operational lever for GS Cash Advance: aligning notification cadence to observed income and repayment rhythms to consolidate the already positive statistical association between personalisation and retention.

### **Objective 2: Effect of loyalty-programme quality on customer retention**

Loyalty-programme quality emerged as a positive predictor of retention alongside the other dimensions ( $\beta \approx 0.27$ ), yet the item-level profile revealed an important anomaly: respondents rated the attractiveness/value of rewards and clarity of rules relatively well (means  $\approx 3.58$  and  $3.45$ ), while ease of redemption and motivation to continue borrowing were notably weaker (means  $\approx 3.25$  and  $3.19$ ). This divergence indicates that favourable attitudes toward programme design were not consistently converted into behaviourally meaningful motivation, a pattern that the loyalty literature associates with redemption frictions and delayed benefit realisation. Studies in banking and credit-union contexts report strong retention effects when rewards are both valuable and low-friction to redeem (LeBlanc & Nguyen, 2020; O'Brien et al., 2019; Dlamini & Khumalo, 2022), whereas opacity or effortful redemption depresses the motivational pathway even when headline value appears attractive (Nkombe & Moyo, 2022). The present

anomaly is therefore theoretically coherent: perceived value without immediacy and simplicity limits the programme's capacity to translate perception into renewal behaviour.

Zambian and regional micro-lending evidence reinforces this interpretation. Enhanced, transparent schemes with straightforward, prompt redemption have been associated with higher renewal and satisfaction (Nkhoma et al., 2022; Chipeleme & Banda, 2023), while programmes perceived as slow or administratively burdensome fail to sustain loyalty despite nominal reward richness (Mkandawire & Tadesse, 2021). In short-tenor lending with thin liquidity buffers—typical for portions of GS Cash Advance's clientele—time-to-benefit is a decisive attribute; immediate micro-rewards and low-tap redemption routes are more behaviourally potent than deferred benefits of higher nominal value. The present study's statistics, in which motivation trails value and clarity, are consistent with this micro-incentive logic and with segment-sensitive findings in the African literature.

Finally, the interaction between programme design and digital affordances warrants emphasis in this context. Evidence from Zambia highlights perceived security, responsiveness, and information completeness within digital channels as correlates of continued use (Zulu & Bwalya, 2022); when redemption is executed in-app with minimal steps and clear status feedback, the perceived effort cost declines and the motivational signal of the programme strengthens. The present findings, showing good value perceptions but muted motivation, indicate that GS Cash Advance stands to realise more of the programme's statistical potential by compressing redemption latency and embedding transparent, real-time balances and one-page rules within the digital journey, an approach already associated with improved tenure in comparable financial services settings.

### **Objective 3: Contribution of digital engagement channels to customer retention**

Digital engagement produced a positive and statistically significant association with retention in both the bivariate analysis ( $r = .59, p < .01$ ) and the multivariate model ( $\beta = .20, p = .002$ ), indicating that improvements in the digital journey were linked to higher renewal propensity after controlling for other relationship-marketing dimensions. The item profile clarifies the contours of this association: respondents reported favourable perceptions of usability (mean 3.45), security trust (mean 3.43),

and informational completeness (mean 3.40), with a comparatively weaker score for transaction speed/reliability (mean 3.28) and moderate agreement on the timeliness of notifications (mean 3.35). The pattern suggests that interface clarity and safety signals were largely in place, whereas backend performance and notification cadence presented scope for lift. In a context such as urban Lusaka—characterised by intermittent connectivity and heterogeneous digital literacy—these results are consistent with evidence that security assurance and navigability foster continued use, but that the marginal returns to digital adoption depend on speed and timely system prompts (Zulu & Bwalya, 2022; Wang & Chen, 2024). The current study extends this literature by demonstrating that, even where usability and security are positively endorsed, retention gains remain sensitive to operational latency and alert cadence, thereby underscoring the importance of end-to-end optimisation rather than front-end design alone.

Comparative studies in microfinance and mobile banking have documented similar dynamics: perceived security and informational sufficiency predict continued usage and attenuate churn, provided that transactional performance meets users' time expectations (Al-Zoubi et al., 2021; Zulu & Bwalya, 2022). Panel-based work further shows that salary-dated or cycle-aware notifications are particularly effective in sustaining active usage, an effect that coheres with the moderate notification score observed here (Wang & Chen, 2024). The present results therefore accord with regional findings while specifying the components that matter for a short-tenor lender: usability and trust as necessary conditions, and speed plus cadence as the differentiating conditions for retention.

#### **Objective 4: Influence of systematic feedback mechanisms on customer retention**

Systematic feedback mechanisms correlated positively with retention ( $r = .54$ ,  $p < .01$ ) and retained a significant coefficient in the multivariate model ( $\beta = .17$ ,  $p = .004$ ), indicating an independent contribution to loyalty when considered alongside personalisation, programme quality and digital engagement. Item-level diagnostics reveal a graded profile: awareness of channels (mean 3.33) and ease of use/access (mean 3.35) were moderately positive, prompt acknowledgement scored lower (mean 3.14), and belief that feedback leads to tangible service improvements was weakest

(mean 3.00). This distribution is congruent with a process in which customers know how to submit feedback and can do so without great difficulty, yet remain unconvinced that submissions precipitate visible changes. The association with retention thus appears to depend less on channel availability per se and more on the closure of the feedback loop, namely acknowledgement and demonstrable action. This interpretation aligns with studies in financial services that distinguish between awareness and responsiveness, finding that acknowledgement timeliness and transparent action logs have greater bearing on loyalty than mere channel proliferation (Dlamini & Khumalo, 2022; Nkhoma et al., 2022). The present results resonate with the thesis background, which noted that fewer than half of clients perceived that feedback led to real improvements, and the discussion therefore situates the coefficient on feedback within an implementation logic rather than a communications logic.

Comparative literature from the Zambian micro-lending context underscores that acknowledgement latency and visibility of enacted changes are more predictive of continued participation than generic “voice” opportunities (Chipeleme & Banda, 2023; Zulu & Bwalya, 2022). The current estimates are consistent with this pattern and add precision by demonstrating a statistically significant contribution of feedback mechanisms after accounting for the other three dimensions. In practical terms for a non-bank lender with short product cycles, this implies that process reliability in closing the loop—timely response and traceable changes tied to customer submissions—underpins the observed link to retention more than the mere existence of multiple feedback channels.

### **5.3 Conclusion**

The findings of this study demonstrate that personalised communication, loyalty programme quality, digital engagement channels and systematic feedback mechanisms each exert a significant and positive influence on customer retention at GS Cash Advance Limited. Personalised communications emerged as the strongest retention driver, highlighting the value of tailored messaging that aligns with individual cash-flow patterns. Loyalty schemes with attractive rewards and clear redemption processes also proved effective, although motivational aspects and procedural ease warrant further enhancement. Digital platforms were shown to support autonomy and convenience when reliable, yet technical interruptions must be addressed to sustain engagement. Finally, feedback processes contributed to retention only when

customers experienced prompt acknowledgement and visible service improvements. Together, these results reinforce the integration of Commitment–Trust and Social Exchange theories as a robust lens for understanding retention dynamics and offer practical guidance for refining relationship marketing strategies and informing supportive regulatory frameworks in Zambia’s micro-lending sector.

## **CHAPTER SIX: CONCLUSION AND RECOMMENDATIONS**

### **6.1 Introduction**

This chapter presents the overarching conclusions drawn from the study's findings and outlines practical recommendations for stakeholders. It summarises the key insights associated with each research objective and offers actionable guidance for GS Cash Advance Limited, policy makers and industry practitioners. The chapter then discusses the study's limitations and proposes avenues for future research to build on the current work.

### **6.2 Conclusion**

The findings demonstrated that relationship marketing, taken as an integrated set of practices, accounted for a substantive share of variation in customer retention. Personalised communication exerted the strongest unique contribution within the multivariate model, with sizeable bivariate association as well. Descriptively, respondents acknowledged recognition cues such as being addressed by name and feeling understood; however, alignment of message timing with repayment or income cycles remained comparatively weaker. The conclusion that follows is straightforward: the retention premium attributed to personalisation in this setting inheres less in superficial recognition and more in cadence and relevance calibrated to borrower liquidity windows.

Loyalty-programme quality also contributed significantly to retention, yet the item-level pattern exposed a motivational shortfall. Customers rated reward value and rule clarity positively, while ease of redemption and motivation to continue borrowing lagged behind. In other words, the programme's perceived attractiveness was not reliably converted into behaviour when operational friction or time-to-benefit was non-trivial. This internal divergence explains why loyalty quality registered as an important predictor in the model, while still leaving evident headroom for improvement in practice.

Digital engagement offered an independent contribution to retention that was conditioned by performance. Usability, perceived security and informational completeness were endorsed, whereas transaction speed and reliability attracted comparatively lower evaluations. The inference is that the digital journey's value for retention turns on end-to-end execution: front-end clarity and trust are necessary, but

the decisive margin lies in prompt, dependable completion of key tasks such as payment and renewal.

Finally, systematic feedback mechanisms were positively associated with retention where the feedback loop was visibly closed. Awareness of channels and ease of submitting feedback were adequate, yet prompt acknowledgement and belief that submissions led to tangible changes were weaker. Retention effects therefore appear to be driven less by channel availability than by credible responsiveness evidenced through timely acknowledgements and transparent action.

Considered together, these conclusions indicate that customer retention at GS Cash Advance is shaped by four operational levers: communication cadence that mirrors borrower liquidity, loyalty design that compresses redemption friction and delay, digital performance that meets users' time expectations, and feedback management that demonstrates responsiveness through acknowledgement and action.

### **6.3 Recommendations**

Translating the evidence into practice requires targeted adjustments that connect directly to the weak points identified in the data. For personalised communication, the priority is to align message scheduling to repayment and income rhythms. Communications should be timed within the borrower's expected liquidity window and suppressed when liquidity is predictably tight. Moving beyond nominal salutation to history-based relevance—offers and reminders tied to each client's borrowing and repayment profile—will consolidate the statistically observed effect of personalisation into measurable renewal gains.

The loyalty programme should be redesigned around immediacy and simplicity. Introducing instant, small-denomination rewards linked to on-time repayment or successful renewal, together with a two-step redemption flow and a persistent, real-time rewards balance, will directly address the low motivation and middling ease-of-redemption scores. Publishing a concise rule card and making balances and rules visible within the app and at branch points will reinforce transparency. The programme's performance should be monitored through redemption conversion rates and median time-to-redemption, alongside periodic tracking of the motivation item that previously underperformed.

On the digital front, the principal requirement is to set and maintain operational service levels for speed and reliability. Back-end optimisation to secure a consistently low completion time for payment and renewal transactions will protect and extend the positive contribution already associated with usability and security trust. Clear, plain-language prompts, status banners during incidents, and friction-reducing features such as biometric login and auto-save will further reduce abandonment at critical steps.

With respect to feedback mechanisms, GS Cash Advance should institutionalise timeliness and visibility. A standard of acknowledgement within twenty-four hours and a status update within seven days should be adopted and measured. Publishing brief monthly “you said, we did” summaries—in-app and at branches—will make responsiveness legible to clients and transform channels from passive receptacles into credible vehicles for improvement. Internally, recurring themes should feed a maintained backlog with assigned ownership and due dates to ensure closure.

Execution should also be sensitive to segment differences that are material in the Zambian micro-lending context. Clients with regular salaries generally respond well to cycle-dated offers and tiered benefits, whereas self-employed clients, whose cash flows are volatile, respond more to instant, low-friction rewards and flexible windows. Monitoring should therefore disaggregate renewal and engagement metrics by employment status and age band to identify where changes deliver the greatest marginal gains.

#### **6.4 Monitoring and Learning**

Implementation ought to be paired with a concise measurement framework that mirrors the levers above. Renewal rate should be tracked overall and by key segments; redemption conversion and time-to-redemption should be followed to verify that loyalty adjustments translate into behaviour; digital performance should be monitored through high-percentile transaction completion times and drop-off rates at payment and renewal screens; and feedback operations should be assessed by acknowledgement and action-update timeliness. Periodic short surveys can track movement in the specific items that were previously weak—timing alignment, redemption ease, transaction speed and perceived feedback-to-action—to ensure that operational improvements are reflected in customer perceptions.

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## **APPENDIX A: QUESTIONNAIRE**

### **Introduction**

Please complete the following questionnaire to help us understand how GS Cash Advance Limited's relationship marketing practices influence your borrowing experience and loyalty. Your responses will remain confidential and will be used solely for academic research. The questionnaire comprises two parts. The first part collects basic demographic information, and the second part asks for your opinions on specific aspects of communication, loyalty rewards, digital services and feedback channels, as well as your borrowing intentions. For each statement, please indicate the extent of your agreement using the five-point scale provided, where 1 means strongly disagree and 5 means strongly agree. Your honest responses are greatly appreciated and will contribute to improving service quality and customer satisfaction.

Thank you

## Section A: Demographic Information

Please answer the following questions about your background.

1. Gender
  - Male
  - Female
  
2. Age (in years)
  
  
3. Employment status
  - Employed full-time
  - Employed part-time
  - Self-employed
  - Unemployed

## Section B: Personalised Communication

The statements below assess the extent to which GS Cash Advance Limited tailors its communications to your individual needs. Please indicate your level of agreement.

Code	Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
PC1	GS Cash Advance addresses me by name in its messages.					
PC2	I receive loan reminders at times that suit my repayment schedule.					

PC3	Product offers are tailored to my past borrowing behaviour.					
PC4	Messages include information relevant to my financial needs.					
PC5	I feel that GS Cash Advance understands my personal preferences when communicating.					

### Section C: Loyalty Programme Quality

The following items evaluate the quality and value of the loyalty programme offered by GS Cash Advance Limited. Please indicate your level of agreement.

Code	Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
LP1	The rewards offered by GS Cash Advance are attractive and valuable.					
LP2	The rules of the loyalty programme are clear and easy to understand.					

LP3	I find it easy to redeem my loyalty points or rewards.					
LP4	The loyalty programme motivates me to continue borrowing with GS Cash Advance.					
LP5	I am satisfied with the overall design and benefits of the loyalty programme.					

#### Section D: Digital Engagement Channels

Please indicate your agreement with the statements below regarding your experience using GS Cash Advance's digital platforms.

Code	Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
DE1	The mobile application is easy to navigate.					
DE2	Transactions are completed quickly and without errors using the digital channels.					
DE3	I trust the security features of the					

	mobile app and website.					
DE4	I receive timely notifications (e.g., approvals, reminders) via digital channels.					
DE5	The digital platforms provide all the information I need to manage my loan effectively.					

### Section E: Systematic Feedback Mechanisms

The items below assess how effectively GS Cash Advance Limited collects and responds to your feedback.

Code	Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
FM1	I am aware of the different ways to submit feedback (e.g., in-app survey, email).					
FM2	My feedback is acknowledged promptly when I submit it.					
FM3	I believe that my feedback leads to					

	real improvements in service.					
FM4	The feedback channels are easy to use and accessible.					
FM5	I feel encouraged to provide suggestions because I see responses to earlier feedback.					

### Section F: Customer Retention

The following statements measure your intention and behaviour regarding continued use of GS Cash Advance Limited's services.

Code	Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
CR1	I intend to apply for another loan with GS Cash Advance in the next twelve months.					
CR2	I am likely to recommend GS Cash Advance to friends or family.					
CR3	I have renewed or re-borrowed at least once during the last year.					

CR4	I feel a strong sense of loyalty toward GS Cash Advance Limited.					
CR5	I prefer GS Cash Advance's services over those of other lenders.					

**Qualitative Section: Open-Ended Interview Questions**

*Please provide detailed responses to the questions below. Your insights will help us understand how each aspect of GS Cash Advance Limited's relationship marketing practices influences your experience and loyalty.*

**Personalised Communication**

1. In what ways have the messages or reminders you receive from GS Cash Advance felt tailored to your individual needs or circumstances?

.....  
 .....

2. Can you describe a specific instance when a communication from GS Cash Advance influenced your decision to apply for or repay a loan?

.....  
 .....

3. What suggestions do you have for making GS Cash Advance's communications more relevant or engaging for you?

.....  
 .....

**Loyalty Programme Quality**

1. How would you characterise the value you derive from GS Cash Advance's loyalty rewards or incentives?

- .....  
.....
2. Describe any challenges you have faced when attempting to redeem or use your loyalty benefits.

- .....  
.....
3. What improvements would you recommend to make the loyalty programme more motivating and rewarding?

.....  
.....

### **Digital Engagement Channels**

1. Please recount an experience—positive or negative—when using GS Cash Advance’s mobile app or website to manage your loan.

- .....  
.....
2. What features or functionalities would you like to see added or enhanced in the digital platforms to improve your borrowing experience?

- .....  
.....
3. How do connectivity issues or security concerns affect your willingness to use GS Cash Advance’s online services?

.....  
.....

### **Systematic Feedback Mechanisms**

1. Can you share a time when you provided feedback to GS Cash Advance and describe how the company responded?

- .....  
.....
2. In your view, which feedback channels (for example, in-app surveys, email, branch suggestions) work best for you and why?

- .....  
.....
3. What changes would encourage you to provide feedback more frequently or openly?

.....  
.....

**Customer Retention**

1. What are the main reasons you continue to borrow from GS Cash Advance rather than switching to another lender?

.....  
.....

2. Describe any factors that might lead you to stop using GS Cash Advance's services in the future.

.....  
.....

3. What could GS Cash Advance do to ensure that you remain a loyal customer over the long term?

.....  
.....