



## EFFECT OF CUSTOMER REWARDS AND INCENTIVES ON ORGANIZATIONAL PERFORMANCE IN SOME SELECTED PUBLISHING COMPANIES IN SOUTH-WESTERN NIGERIA

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### Cite this article:

Paul A. A., Olumuyiwa O. O. (2024), Effect of Customer Rewards and Incentives on Organizational Performance in Some Selected Publishing Companies in South-Western Nigeria. International Journal of Entrepreneurship and Business Innovation 7(1), 106-123. DOI: 10.52589/IJEBI-AATHEVZX

### Manuscript History

Received: 27 Nov 2023

Accepted: 17 Jan 2024

Published: 8 Feb 2024

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**ABSTRACT:** *In today's dynamic business landscape marked by rapid changes in customer preferences and market dynamics, organizations acknowledge the crucial importance of fostering lasting relationships with their clients. This study examined the relationship between customer rewards and organizational performance within selected publishing companies operating in the vibrant business environment of South-Western Nigeria. This research utilized a cross-sectional survey methodology, engaging a sample of 401 employees representing 40 publishing companies situated in Oyo State, Nigeria. The selection of participants was meticulously conducted through a straightforward random sampling technique. A structured questionnaire, incorporating Likert scale questions, served as the primary tool for data collection. This instrument was designed to gather comprehensive data encompassing demographic characteristics, customer rewards and incentives (independent variable), and organizational performance (dependent variable). The study found a significant and positive impact of customer rewards and incentives on organizational performance, with real-life implications for strategic decision-making. The research emphasizes the need for tailored rewards programs, considering factors like word-of-mouth marketing, customer loyalty, and financial impact. This study contributes valuable insights for businesses seeking to optimize customer relationships and enhance organizational success.*

**KEYWORDS:** Customer Rewards, Customer Incentives, Organizational Performance, Publishing Companies, South-Western Nigeria.



## INTRODUCTION

In the ever-evolving landscape of contemporary business environments, where the preferences of customers and market dynamics undergo rapid transformations, organizations are increasingly realizing the paramount importance of cultivating robust and enduring relationships with their clientele. At the heart of this strategic imperative lies the implementation of customer rewards and incentive programs, functioning not only as gestures of appreciation but also as potent tools to shape customer behaviour and elevate organizational performance. This research delves into the intricate interplay between customer rewards and the organizational performance metrics within selected publishing companies operating in the vibrant and diverse business environment of South-Western Nigeria.

The publishing industry, a cornerstone integral to the cultural and intellectual tapestry of any society, finds itself subject to the transformative forces reshaping the contemporary business paradigm. Publishers in South-Western Nigeria, situated amidst a rich landscape of literary heritage and linguistic diversity, face the dual challenge of adapting to the evolving demands of their readership while ensuring the sustainable growth of their enterprises. Against this backdrop, the examination of the impact of customer rewards and incentives on organizational performance becomes of paramount importance. This study provides a nuanced exploration of the strategies employed by these publishing entities to engage, retain, and foster loyalty among their customer base.

### Objectives of the Study

The primary objective of this study is to scrutinize the dynamic relationship between customer rewards and organizational performance, aiming to unravel the multifaceted implications of such programs within the unique context of the South-Western Nigerian publishing industry. By focusing on specific publishing companies, this research endeavours not only to offer a comprehensive understanding of the current landscape but also to provide actionable insights that can inform strategic decision-making for businesses operating in this sector.

### Hypothesis of the Study

As we embark on this exploration, a null hypothesis has been formulated for this study:

**H<sub>0</sub>:** Customer rewards and incentives have no significant impact on the organizational performance of publishing companies in South-Western Nigeria.



## LITERATURE REVIEW

### Customer Rewards in the Publishing Industry

Customer rewards refer to the strategic initiatives and incentives implemented by businesses to recognize, appreciate, and motivate their customers for positive behaviours or loyalty (Hwang & Choi, 2020). These programs are designed to go beyond the basic transactional relationship, fostering a sense of appreciation and engagement. By offering various tangible and intangible benefits, businesses aim to enhance customer satisfaction, loyalty, and overall retention.

The progression of customer rewards in business over time is a captivating journey, moving from simple loyalty programs to sophisticated, data-driven strategies in response to shifting market dynamics and evolving consumer expectations (Wold, 2022). Initially, businesses depended on uncomplicated, transaction-based loyalty approaches like punch cards and discounts to foster customer retention. As technology advanced and customer relationship management (CRM) systems gained prominence, companies transitioned into more personalized and targeted reward programs. The digital era ushered in a notable shift to online platforms, empowering businesses to gather and analyze extensive customer data for customized incentive schemes (Soltani & Navimipour, 2016). Furthermore, the advent of social media and mobile applications has transformed the landscape of reward offerings, facilitating real-time engagement and immediate satisfaction. This historical evolution highlights a shift from fundamental loyalty schemes to intricate, technology-infused strategies, showcasing a continual endeavour to align customer rewards with the ever-changing needs and expectations of a dynamic consumer base.

### Types of Customer Rewards

1. **Loyalty Points and Programs:** Loyalty points and programs are sophisticated and structured systems strategically designed to cultivate dynamic and enduring relationships between brands and their customers (Kim et al., 2021). Within this intricate framework, customers accumulate points with each transaction, creating a comprehensive record of their engagement history. These loyalty points function as a virtual currency, representing a tangible manifestation of the customer's commitment to the brand. Redeemable for a spectrum of benefits, from discounts on future purchases to complementary products or exclusive services, loyalty points aim to foster and sustain customer loyalty (Zichermann & Linder, 2010). By transforming routine transactions into a point-based system, businesses seek to incentivize repeat patronage, elevating the customer experience and establishing a mutually beneficial relationship where customers feel not only appreciated but also economically rewarded for their sustained loyalty.

2. **Discounts and Promotions:** Discounts and promotions constitute fundamental pillars of customer rewards, strategically employed to express appreciation to customers for their loyalty or specific actions. This form of reward is intricately designed to create a perceptible sense of value for the customer, transcending the transactional nature of the business-consumer relationship (Chen et al., 2021). Whether manifested as reduced prices, percentage discounts, or special promotions, these incentives aim to resonate with the customer, influencing their decision-making process and fostering a positive perception of the brand. The essence of discounts and promotions lies in their capacity to bridge the gap between customer expectations



and the actual cost of the product or service (Gupta & Lehmann, 2013). For instance, publishing companies may offer a 20% discount to customers who consistently purchase books over a certain period. This strategy extends beyond immediate economic gains, serving as a powerful tool to shape customer attitudes and preferences, positioning the brand as a partner invested in the customer's well-being and satisfaction.

3. Exclusive Access and VIP Benefits: Exclusive access and VIP benefits represent a strategic elevation of the customer rewards paradigm, conferring special privileges upon loyal patrons. This tiered system goes beyond standard transactions, granting loyal customers access to experiences beyond the general public (Schill & Godefroit-Winkel, 2022). These experiences may include invitations to exclusive events, early access to book releases, or unique services tailored to individual customer preferences. The core objective is to create a sense of exclusivity and recognition for the brand's most dedicated customers. By making them feel like valued insiders within the brand community, publishing companies aim to strengthen the emotional connection between the customer and the brand. This sense of exclusivity not only reinforces loyalty but also contributes to the customer's perception of the brand as one that goes beyond basic transactions, offering an elevated and personalized experience (Kuusela, 2021).

4. Cashback Programs: Cashback programs are a straightforward yet impactful approach to customer rewards, involving the return of a percentage of the purchase amount to customers in the form of cash or store credit. Operating on the principle of immediate and tangible gratification, these programs provide customers with a concrete benefit that reinforces their decision to choose a particular brand (Taleizadeh et al., 2023). Unlike other rewards that may accrue over time, cashback programs deliver an instantaneous economic advantage, contributing to overall customer satisfaction and incentivizing future purchases. The essence lies in simplicity and transparency, with customers appreciating the straightforward nature of receiving a percentage of their expenditure back. For example, publishing companies may provide customers with a 5% cashback on their total spending on books, which they can use on their next purchase. This not only influences immediate purchasing behaviour but also establishes a positive association with the brand, positioning it as one that values and directly reciprocates the customer's financial commitment.

5. Referral Rewards: Referral rewards represent a proactive approach to customer engagement, designed to transform satisfied customers into brand advocates. This incentive-based strategy encourages customers to actively promote a business by referring friends, family, or acquaintances, with rewards such as discounts or additional benefits (Garnefeld et al., 2013). At its core, referral rewards recognize the influential role that satisfied customers play in extending the reach of a brand. By leveraging the existing customer base as advocates, businesses tap into a powerful network of trust and recommendation. Referral rewards not only acknowledge and appreciate the efforts of customers in promoting the brand but also serve as an effective customer acquisition tool (Schmitt et al., 2011). For instance, publishing companies may offer a discount to both the referring customer and the new customer they bring to the store. This strategy transcends traditional marketing channels, relying on personal connections and recommendations shared within social circles.

6. Recognition and Personalized Gifts: Recognition and personalized gifts represent a more intimate dimension of customer rewards, focusing on acknowledging and appreciating customers on an individual level (Yi et al., 2013). This form of reward goes beyond the



transactional aspects of the customer relationship, emphasizing the personal connection between the customer and the business. Whether manifested through personalized messages, birthday gifts, or other customized offerings, businesses aim to create a sense of genuine appreciation and connection. The underlying philosophy is grounded in the acknowledgment of the customer as a unique individual (Schill & Godefroit-Winkel, 2022). By tailoring rewards to specific customers, businesses convey a level of care and attention that extends beyond the typical customer experience. For example, publishing companies may send a personalized thank-you note or a small gift to customers on their anniversary of being a loyal customer. Recognition and personalized gifts become powerful tools in creating memorable and enduring connections with the customer base.

### **Organizational Performance**

Organizational performance is the measure of how effectively a company meets its goals and fulfils its mission. It involves evaluating financial success, operational efficiency, customer satisfaction, and employee engagement. A high-performing organization aligns its resources and activities to achieve long-term success and adaptability in its industry. Organizational performance in the publishing industry encompasses a multifaceted evaluation of a publishing company's effectiveness, efficiency, and overall success in achieving its strategic objectives. Key performance indicators (KPIs) in this context include sales and revenue growth, customer retention rates, market share, and brand perception (Chan & Chiu, 2022).

1. **Sales and Revenue Growth:** Sales and revenue growth serve as vital indicators of a publishing company's financial health and success. This KPI measures the increase in monetary value derived from various revenue streams, including book sales, subscriptions, and other content-related transactions. The growth is typically assessed over a specific period, allowing the company to track its performance and identify trends. Positive sales and revenue growth signify the company's ability to not only attract new customers but also retain existing ones. It reflects the effectiveness of the company's market strategies, product offerings, and overall business model (Chan & Chiu, 2022).
2. **Customer Retention Rates:** Customer retention rates gauge a publishing company's ability to retain its existing customers over a specific time frame. The calculation involves determining the percentage of customers retained compared to the total number of customers at the beginning of the period. High customer retention rates are indicative of customer satisfaction, loyalty, and the perceived quality of the company's products and services. Retaining customers is often more cost-effective than acquiring new ones, making it a critical aspect of long-term business success (Chan & Chiu, 2022).
3. **Market Share:** Market share represents the portion of the total market that a publishing company controls, typically expressed as a percentage. It is calculated by dividing the company's sales or revenue by the total market sales or revenue during a specific period. A growing market share indicates the company's competitiveness and its ability to capture a larger share of the target audience. It provides insights into the company's relative position in the market compared to competitors (Chan & Chiu, 2022).
4. **Brand Perception:** Brand perception refers to how the target audience perceives the publishing company's brand. It encompasses various factors, including brand awareness, reputation, and customer sentiment. Positive brand perception is crucial for building and



maintaining customer loyalty. It influences purchasing decisions as customers are more likely to choose a brand with a positive perception. Brand perception is a dynamic aspect that can be shaped by marketing efforts, customer experiences, and overall brand image (Chan & Chiu, 2022).

These KPIs collectively provide a comprehensive understanding of a publishing company's success and influence in the market. They offer insights into financial health, customer satisfaction, competitive positioning, and the overall strength of the company's brand. Monitoring and interpreting these indicators empower publishing companies to make informed decisions, refine strategies, and navigate the complexities of the dynamic publishing industry.

## **Challenges and Opportunities in Implementing Customer Rewards in South-Western Nigeria**

### **2.3.1. Cultural and Regional Issues**

Implementing customer rewards programs in South-Western Nigeria poses multifaceted challenges stemming from the region's rich cultural diversity. The presence of numerous ethnic groups, each with distinct traditions and values, complicates the creation of a universal rewards program that resonates with the diverse cultural expectations of the population. Additionally, the region's multitude of languages and dialects introduces language barriers, making clear and persuasive communication about the details and benefits of reward programs a significant challenge. Furthermore, the varied cultural attitudes toward loyalty programs, ranging from positive perceptions in some communities to scepticism or perceived intrusiveness in others, necessitate a nuanced approach. The success of such programs is intricately tied to their alignment with local customs and traditions, emphasizing the importance of cultural sensitivity to avoid unintended negative consequences such as backlash or unfavourable perceptions (Du Gay & Salaman, 2019).

However, if customer rewards programs are tailored to be culturally sensitive and inclusive, it will provide a unique opportunity to connect with customers on a deeper level, enhancing the program's acceptance by understanding and respecting local customs. Also, recognizing the diversity of customer preferences within the region enables the creation of customized reward offerings, ranging from personalized promotions to culturally relevant incentives that resonate with specific demographics (Sanders & Kirby, 2012). Leveraging customer rewards to foster community engagement, particularly in a region with strong community ties, proves to be a powerful strategy that may involve supporting local initiatives or incorporating community-specific rewards. Additionally, collaborating with local influencers who comprehend cultural nuances can amplify the effectiveness of customer rewards programs, as their endorsement enhances credibility and trust among the target audience (Du Gay & Salaman, 2019).

### **Economic Factors Affecting Reward Program Implementation**

Challenges in implementing customer rewards programs in South-Western Nigeria encompass significant income disparities, making the design of an inclusive program challenging. Economic volatility, characterized by fluctuations that impact consumer purchasing power, necessitates adaptability for long-term success. Infrastructure challenges, including limited internet access and banking services, pose obstacles to digital-centric reward programs, requiring alternative approaches (Willy, 2012). Additionally, susceptibility to currency fluctuations adds complexity, demanding careful navigation to maintain the sustainability of



reward offerings. Together, these challenges underscore the multifaceted economic landscape that businesses must navigate when implementing effective customer rewards initiatives in the region.

Creating opportunities for successful customer rewards programs in South-Western Nigeria involves several key strategies. First, designing reward structures that are affordable and cater to various income levels ensures inclusivity, enabling a broader customer base to participate. Additionally, building adaptability into the program design allows for responsiveness to economic fluctuations, whether through dynamic pricing, seasonal promotions, or alternative reward formats during economic downturns. Collaborating with local banks or financial institutions enhances program accessibility, facilitating smoother transactions and offering a platform for a diverse range of rewards (Anttiroiko, 2014). Furthermore, incorporating local businesses into the reward ecosystem not only provides a variety of incentives but also stimulates the regional economy, fostering community development and economic resilience. These approaches collectively contribute to the creation of a customer rewards framework that is not only economically sustainable but also culturally and regionally relevant in South-Western Nigeria.

### **Synergies between Customer Rewards and Organizational Performance**

The synergies between customer rewards and organizational performance are crucial elements in the success of businesses, especially in the context of the impact on selected publishing companies in South-Western Nigeria. This interplay involves a strategic alignment of customer rewards programs with the overarching goals of the organization, accompanied by a systematic assessment of both tangible and intangible impacts on performance. This explanation will delve into these two key aspects:

#### **Alignment of Rewards Programs with Organizational Goals**

In a business setting, the alignment of customer rewards programs with organizational goals is imperative for ensuring that these initiatives contribute meaningfully to the overall mission and objectives of the company. The rewards offered to customers should resonate with the strategic direction and values of the organization (Ledro et al., 2022). For publishing companies in South-Western Nigeria, this alignment is particularly significant as it ensures that the rewards provided not only attract and retain customers but also actively contribute to the company's growth and sustainability. Key considerations for alignment include:

1. **Strategic Objectives:** Ensuring that the goals of the rewards program are in harmony with the broader strategic objectives of the publishing company. For example, if the organizational goal is to expand readership in a specific genre, the rewards program should incentivize engagement with books in that genre.
2. **Brand Image and Values:** Aligning the nature of rewards with the brand image and values of the publishing company to maintain consistency in messaging. This is crucial for fostering a positive perception among customers.
3. **Financial Viability:** Ensuring that the rewards program aligns with the financial capacity of the organization. The sustainability of the program is essential for long-term success.



## **Measuring the Tangible and Intangible Impacts**

Measuring the impact of customer rewards programs on organizational performance involves assessing both tangible and intangible outcomes. While tangible impacts are quantifiable and directly influence financial metrics, intangible impacts are more qualitative, influencing customer perceptions and brand loyalty (Jin & Huang, 2022).

Tangible impacts of customer rewards programs are measurable through financial metrics and market share analysis. Financial metrics involve assessing the direct influence on sales, revenue, and profitability, with a focus on analyzing heightened customer spending, increased repeat business, and the overall rise in generated revenue. Concurrently, examining changes in market share serves as a tangible indicator of the program's efficacy in both attracting and retaining customers within the competitive landscape of the publishing industry.

The intangible impacts of a customer rewards program encompass the qualitative aspects that contribute to the overall success of a publishing company. These include the cultivation of brand loyalty and a positive brand perception by assessing how the rewards program fosters customer loyalty and influences the way the brand is perceived. Gauging customer satisfaction through feedback, reviews, and surveys provides insights into the program's intangible effects on the overall customer experience. Furthermore, the evaluation of the program's impact on word-of-mouth marketing examines how satisfied customers become advocates for the brand, organically fostering positive word-of-mouth promotion and contributing to the company's growth.

## **Theoretical Review**

### **Relationship Marketing Theory**

Relationship Marketing Theory is a strategic approach that focuses on the long-term development and maintenance of strong, value-laden connections between a business and its customers (Peck et al., 2013). At its core, this theory recognizes that establishing and nurturing relationships with customers is not merely a transactional endeavour but a continuous process aimed at building loyalty and satisfaction over time. It emphasizes the importance of understanding customer needs, preferences, and behaviors to tailor marketing efforts and offerings accordingly. Relationship Marketing Theory contends that customer retention is often more economically viable than customer acquisition, and as such, businesses should invest in cultivating enduring relationships with existing customers. Central to this theory is the notion that satisfied and loyal customers not only contribute significantly to a company's current revenue but can also become advocates, influencing others to engage with the brand. Relationship Marketing Theory underscores the value of two-way communication, personalized interactions, and the delivery of consistent, high-quality experiences to foster trust and commitment. In the context of the impact of customer rewards and incentives on organizational performance in publishing companies in South-Western Nigeria, understanding and applying Relationship Marketing Theory is pivotal for designing effective rewards programs that resonate with the local audience, encourage long-term engagement, and ultimately contribute to the sustained success of publishing enterprises in the region.





## **Social Exchange Theory**

Social Exchange Theory, a prominent framework in the study of interpersonal relationships and organizational behavior, posits that social interactions are essentially transactions guided by the principle of reciprocity (Cook et al., 2013). At its core, the theory contends that individuals engage in relationships with others based on a rational calculation of the costs and benefits involved. Within the context of customer relationships in the business sphere, Social Exchange Theory suggests that customers engage with organizations not merely out of altruism but as part of a social exchange where they anticipate receiving value commensurate with what they contribute. In the realm of customer rewards and incentives, this theory is particularly relevant as it underscores the idea that customers are likely to exhibit loyalty and positive behaviors when they perceive that their patronage is reciprocated with tangible or intangible benefits (Cook et al., 2013). This reciprocal dynamic is central to the establishment and maintenance of enduring customer relationships. Therefore, in the selected publishing companies in South-Western Nigeria, understanding the social exchange processes at play in the customer-business interaction is crucial for comprehending the effectiveness of rewards programs and their impact on organizational performance. It prompts an exploration into how customers in this region assess the value they receive from these exchanges, how it influences their loyalty, and how organizations can strategically design reward systems that align with the expectations and socio-cultural nuances of their customer base, as guided by the principles of Social Exchange Theory.

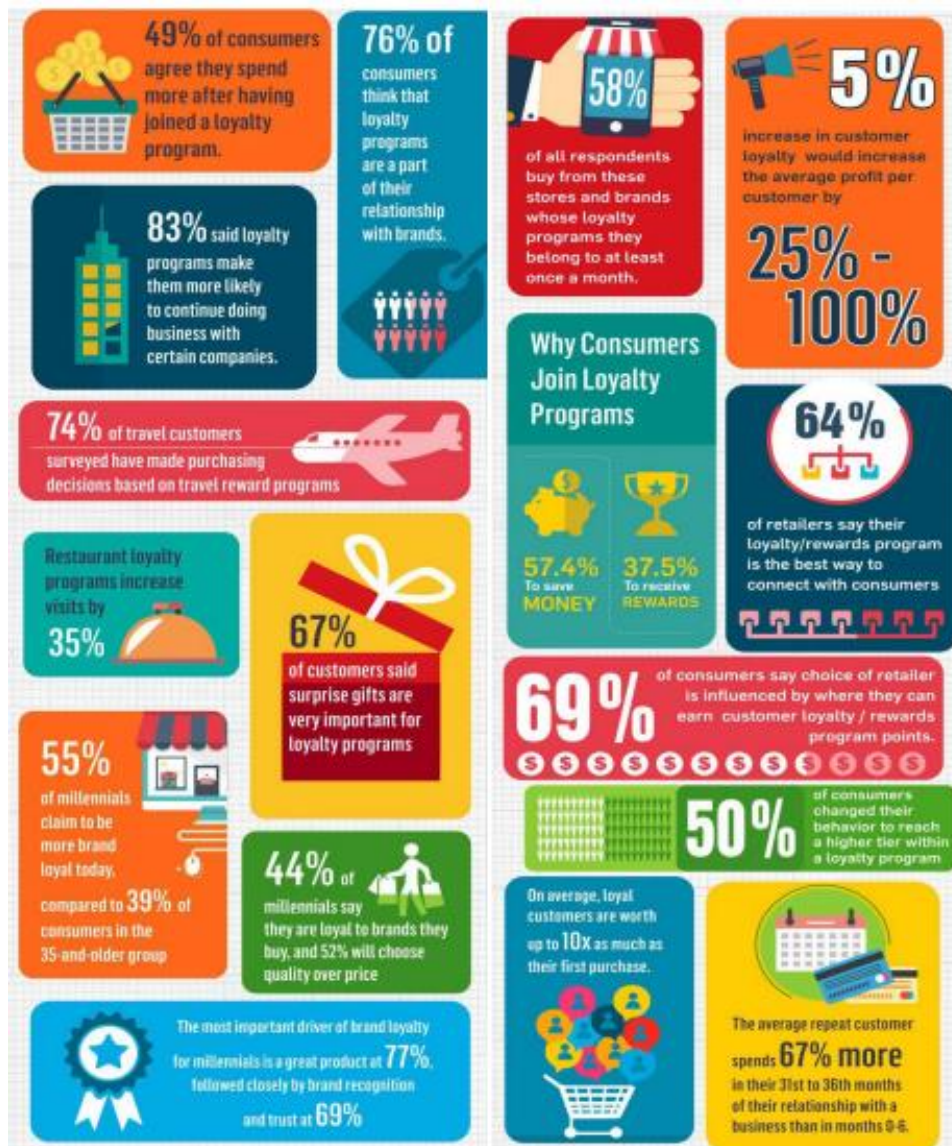
## **Empirical Review**

Customer retention stands out as the primary advantage of a rewards program for brands or stores (Hall, 2020). By offering incentives that encourage continued purchases, these programs ensure a steady cash flow for the business. The retention rate, indicating the frequency of customer return, becomes a pivotal metric. Shifting focus to enhance this rate allows businesses to save time and resources that would otherwise be spent on acquiring new customers (Hall, 2020). Loyal customers emerge as more valuable than new ones, not only displaying higher purchase likelihood but also tending to spend more per transaction (Hall, 2020). Consequently, it becomes evident that retailers benefit significantly from implementing loyalty programs, boosting customer retention and curbing brand-switching tendencies.

Harvard Business Review (2020) emphasizes crucial considerations for businesses contemplating the implementation of rewards programs. The value created must surpass the cost of delivery, with a thoughtful alignment between customer benefits and business needs. The program should not offer something for nothing; rather, it must be mutually beneficial for both the customer and the business.

Saleh (2020) provides an infographic of insightful statistics as to why rewards programs are deemed important to both a brand and a customer:

**Figure 1**



Source: <https://www.invespro.com/blog/customer-loyaltyprograms/>

From the information depicted in Figure 1, research shows that: consumers say their choice of retailer depends on where they can earn rewards program points; consumers state that loyalty programs make them more likely to continue doing business with a certain brand; and consumers have confessed to an increase in their spending after joining a loyalty program.



## METHODOLOGY

In the scope of this research endeavour, a cross-sectional survey approach has been meticulously employed to delve into the intricate relationship between customer rewards and incentives and the organizational performance of a distinct cluster of publishing companies situated within the South-Western region of Nigeria. To uphold the principles of fairness and impartiality, a straightforward random sampling approach was judiciously adopted. The focal point of this study encompasses a targeted sample size of 401 employees meticulously drawn from a pool of 40 publishing companies situated in Oyo State, Nigeria. The rationale behind this methodological choice stems from the pragmatic acknowledgment of the impracticality of directly observing every publishing company within the expansive South-Western region of Nigeria, which encompasses six states: Lagos, Oyo, Ogun, Osun, Ondo, and Ekiti. The structured questionnaire utilized for data collection was strategically designed with three distinct sections: one dedicated to demographic information, another intricately probing into the realm of customer rewards and incentives, and a final section meticulously exploring the nuances of organizational performance. Considering the customer behavioural factor and environmental factor, 'Customer Rewards and Incentives' demonstrates high internal consistency (Cronbach's alpha = 0.84) while 'Organizational Performance' exhibits strong construct validity based on factor analysis results. Respondents, representing the crux of this empirical investigation, were entrusted with the task of rating their agreement or disagreement concerning each query related to customer rewards and incentives (functioning as the independent variable) and organizational performance (functioning as the dependent variable) on a comprehensive 5-point Likert scale, spanning from "Strongly Agree" to "Strongly Disagree." Demonstrating commendable internal consistency, the questionnaire achieved a Cronbach's alpha reliability coefficient of 0.84. Throughout the data collection process, the utmost emphasis was placed on preserving the confidentiality and anonymity of participants, thereby ensuring the integrity and reliability of the acquired data.



## RESULTS AND DISCUSSION

**Table 1: Demographic Characteristics of Respondents**

<b>VARIABLE</b>	<b>FREQUENCY</b>	<b>PERCENTAGE</b>
<b>Gender</b>		
Male	261	65.1
Female	140	34.9
<b>Total</b>	<b>401</b>	<b>100.0</b>
<b>Age</b>		
20-30 Years	34	8.5
31-40 years	194	48.4
41-50 years	134	33.4
51-60 years	32	8.0
60+ years	7	1.7
<b>Total</b>	<b>401</b>	<b>100.0</b>
<b>Educational qualification</b>		
OND/NCE	14	3.5
HND/Degree	220	54.9
Postgraduate	167	41.6
<b>Total</b>	<b>401</b>	<b>100.0</b>
<b>Occupation</b>		
Director/Executive	37	9.2
Manager/Head of Department	55	13.7
Editorial	26	6.5
Designer/Illustrator	16	4.0
Research and Development	16	4.0
Sales	115	28.7
Marketing	66	16.5
Warehouse Operations/Distribution	15	3.7
Finance/Accounts	23	5.7
IT Support	12	3.0
Administration/Human Resource	20	5.0
<b>Total</b>	<b>401</b>	<b>100.0</b>
<b>Working Experience</b>		
1-5 years	37	9.2
6-10 years	106	26.4
11-15 years	152	37.9



<b>16 years and above</b>	106	26.4
<b>Total</b>	<b>401</b>	<b>100.0</b>
<b>Location</b>		
<b>Lagos</b>	256	63.8
<b>Ibadan</b>	145	36.2
<b>Total</b>	<b>401</b>	<b>100.0</b>
<b>Marital Status</b>		
<b>Single</b>	70	17.5
<b>Married</b>	310	77.3
<b>Divorced</b>	19	4.7
<b>Widowed</b>	2	0.5
<b>Total</b>	<b>401</b>	<b>100.0</b>
<b>Time as a Employee of the publishing company</b>		
<b>Less than 1 year</b>	5	1.2
<b>1-3 years</b>	27	6.7
<b>3-5 years</b>	73	18.2
<b>More than 5 years</b>	296	73.8
<b>Total</b>	<b>401</b>	<b>100.0</b>

Source: *Field Survey (2023)*

Table 1 offers a comprehensive examination of the demographic profile of employees within the selected publishing companies, shedding light on key characteristics. The data showcases a majority of male respondents, accounting for 65.1%, while 34.9% identify as females.

Age-wise categorization indicates that 8.5% fall within the 20-30 years bracket, 48.4% are in the 31-40 years range, 33.4% fall between 41-50 years, 8.0% are in the 51-60 years category, and 1.7% are aged 60 years and above.

Educational qualifications present a diverse landscape, with 3.5% holding OND/NCE, 54.9% possessing HND/Degree qualifications, and 41.6% holding Postgraduate degrees.

Occupational roles demonstrate a varied distribution, encompassing Director/Executive Roles (9.2%), Managers/Heads of Departments (13.7%), Editorial Positions (6.5%), Design/Illustrator Roles (4.0%), Research and Development (4.0%), Sales (28.7%), Marketing (16.5%), Warehouse Operations/Distribution (3.7%), Finance/Accounts (5.7%), IT Support (3.0%), and Administration/Human Resource Positions (5.0%).

In terms of working experience, 9.2% have 1-5 years, 26.4% have 6-10 years, 37.9% have 11-15 years, and 26.4% have 16 years and above.

Geographically, 63.8% are based in Lagos and 36.2% in Ibadan. Marital status reflects that 17.5% are single, 77.3% are married, 4.7% are divorced, and 0.5% are widowed.

Lastly, respondents with less than 1 year of experience constitute 1.2%, 1-3 years account for 6.7%, 3-5 years for 18.2%, and the majority (73.8%) have more than 5 years of experience within the company.



This detailed demographic analysis provides valuable insights into the sample, highlighting potential factors influencing perceptions and behaviours related to customer loyalty and organizational performance.

### Test of Hypothesis

**H0:** Customer rewards and incentives have no significant impact on the organizational performance of publishing companies in South-Western Nigeria.

**Table 2: Multiple Regression of Customer Rewards and Incentives and Organisational Performance**

**Source:** Statistical computation (SPSS version 24 output)

Variable	F-Ratio	Sig of P	R	R <sup>2</sup>	Adj. R <sup>2</sup>	B	T	P	Remark
Organizational Performance (Constant)	65.040	.000 <sup>b</sup>	.733 <sup>a</sup>	0.537	0.528	2.103	2.740	0.006	Sig
Word-of-Mouth Marketing						.289	2.613	.026	Sig
Repeat Business						-.116	-2.225	.022	Sig
Customer Loyalty						.196	2.571	.010	Sig
Personalization						.199	2.988	.003	Sig
Competitive Advantage						.290	2.211	.029	Sig
Financial Impact						.212	2.214	.030	Sig
Customer Satisfaction						.324	4.097	.000	Sig

Table 2 indicates that the linear combination of word-of-mouth marketing, repeat business, customer loyalty, personalization, competitive advantage, financial impact, and customer satisfaction significantly influences organisational performance at ( $F = 65.040$ ;  $R = .733$ ,  $R^2 = .537$ ,  $Adj. R^2 = .528$ ;  $P < .01$ ). The independent/predictor variables jointly accounted for a variation of about 53.7% in organisational performance of publishing companies in South-Western Nigeria. The individual contributions and levels of significance of the independent variables are as follows: word-of-mouth marketing ( $\beta = .289$ ,  $P < .05$ ), repeat business ( $\beta = -.116$ ,  $P < .05$ ), customer loyalty ( $\beta = .196$ ,  $P < .01$ ), personalization ( $\beta = .199$ ,  $P < .01$ ), competitive advantage ( $\beta = .290$ ,  $P < .05$ ), financial impact ( $\beta = .212$ ,  $P < .05$ ), and customer satisfaction ( $\beta = .324$ ,  $P < .01$ ).

It can be concluded that all independent variables (customer rewards and incentives factors: word-of-mouth marketing, repeat business, customer loyalty, personalization, competitive advantage, financial impact, and customer satisfaction) jointly and independently have a



significant impact on organisational performance in the publishing industry in South-Western Nigeria. Therefore, the null hypothesis was rejected and it is concluded that customer rewards and incentives have a significant impact on the Organizational Performance of publishing companies in South-Western Nigeria. These customer reward and incentive factors have a significant and independent predictive power for organisational performance of publishing companies. The regression model is presented in Equation 1:

$$OP_{Pub} = 2.103 + 0.289W_{OMM} - 0.116R_B + 0.196C_L + 0.199P + 0.290C_A + 0.212F_I + 0.324C_S \dots\dots\dots(\text{Eq. 1})$$

where:

$OP_{Pub}$  = Organisational performance of publishing companies

$W_{OMM}$  = Word-of-mouth Marketing

$R_B$  = Repeat Business

$C_L$  = Customer Loyalty

$P$  = Personalization

$C_A$  = Competitive Advantage

$F_I$  = Financial Impact

$C_S$  = Customer satisfaction

Hence, these results underscore the critical role that customer reward and incentive factors play in driving organizational performance in the publishing industry of South-Western Nigeria, with particular attention to customer reward and incentive factors: word-of-mouth marketing, repeat business, customer loyalty, personalization, competitive advantage, financial impact, and customer satisfaction as key drivers. Additionally, the negative impact of repeat business suggests that it may need to be carefully managed to avoid any adverse effect on organizational performance.

## DISCUSSION OF FINDINGS

The findings of this study, as presented in Table 2, reveal a substantial and statistically significant influence of various customer reward and incentive factors on the organizational performance of publishing companies in South-Western Nigeria. The linear combination of word-of-mouth marketing, repeat business, customer loyalty, personalization, competitive advantage, financial impact, and customer satisfaction exhibited a noteworthy impact on organizational performance ( $F = 65.040$ ;  $R = .733$ ,  $R^2 = .537$ ,  $\text{Adj. } R^2 = .528$ ;  $P < .01$ ). Collectively, these independent predictor variables accounted for approximately 53.7% of the variation observed in the organizational performance of the surveyed publishing companies.

The findings of the study carry several real-life implications for publishing companies in South-Western Nigeria and, potentially, for businesses in similar industries globally. It was found that: successful companies leverage word-of-mouth marketing by motivating customers to



share their positive experiences; it is important for publishing companies to prioritize customer-centric business strategies. Many successful businesses invest in initiatives that enhance customer satisfaction and foster loyalty and, consequently, positively impact performance; well-designed financial impact strategies can create a win-win situation for both customers and the business; there is a need for strategic planning in the implementation of customer rewards programs. The findings of this study are consistent with Soliman (2011), Gomez-Meija et al. (2014), and Souri (2017).

## CONCLUSION AND RECOMMENDATIONS

In conclusion, the empirical findings of this study shed light on the significant and positive influence of various customer reward and incentive factors on the organizational performance of publishing companies in South-Western Nigeria. The comprehensive analysis, as presented in Table 2, underscores the collective impact of word-of-mouth marketing, repeat business, customer loyalty, personalization, competitive advantage, financial impact, and customer satisfaction, which jointly accounted for a substantial 53.7% variation in organizational performance ( $F = 65.040$ ;  $R = .733$ ,  $R^2 = .537$ ,  $Adj. R^2 = .528$ ;  $P < .01$ ). The identified real-life implications gleaned from the findings emphasize the strategic significance of leveraging word-of-mouth marketing, prioritizing customer-centric strategies, investing in customer satisfaction initiatives, employing well-designed financial impact strategies, and adopting strategic planning in the implementation of customer reward programs. The success stories of companies aligning with these implications echo the findings of Soliman (2011), Gomez-Meija et al. (2014), and Souri (2017), providing validation and resonance in a broader business context.

It is crucial to acknowledge certain limitations inherent in this research. The study focused specifically on the publishing industry in South-Western Nigeria, and the findings may not be fully generalizable to other industries or regions. Additionally, the cross-sectional survey approach, while providing valuable insights, may not capture the dynamic and evolving nature of customer behaviours over time. To build on the insights gained from this study, future research efforts could delve into the long-term impacts of customer reward programs, considering evolving market trends and technological advancements. Comparative studies across diverse industries and regions could offer a broader perspective.

In light of the findings and implications, publishing companies in South-Western Nigeria are recommended to: recognize the strategic importance of implementing robust customer rewards programs; encourage and leverage positive word-of-mouth by implementing incentives that motivate customers to share their positive experiences; invest in initiatives that enhance customer satisfaction, fostering loyalty and, consequently, positively impacting performance metrics; invest in tailoring their services and offerings to individual customer preferences; and stay attuned to changes in customer behaviour, emerging trends and competitors' strategies to ensure the relevance and effectiveness of their incentives.





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