

**CUSTOMER SATISFACTION AND BUSINESS PROFITABILITY: A CASE STUDY OF
PHARMACEUTICAL OUTLETS IN EDO STATE**

OKHAKUMEN FAITH EFEMOUKHE

MGS2104850

DEPARTMENT OF BUSINESS ADMINISTRATION

FACULTY OF MANAGEMENT SCIENCES

UNIVERSITY OF BENIN

BENIN CITY

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**BEING A PROJECT SUBMITTED TO THE DEPARTMENT OF BUSINESS
ADMINISTRATION , FACULTY OF MANAGEMENT SCIENCES, UNIVERSITY OF
BENIN, BENIN CITY IN PARTIAL FULFILLMENT OF THE REQUIREMENT OF
THE AWARD OF BACHELOR OF SCIENCIES, (B.Sc.) DEGREE IN BUSINESS
ADMINSTARTION.**

OCTOBER, 2025.

DECLARATION

I. The study was undertaken by **OKHAKUMEN FAITH EFEMOUKHE** in the Department of Business Administration University of Benin, under the supervision of **Prof Joseph E. Agbadudu** of Department of Business Administration, Faculty of Management Science, University of Benin.

II. To the best of my knowledge this study has never been previously submitted for the award of a degree elsewhere and the research is conducted by me and all material consulted are duly acknowledge in the reference.

III. I also take responsibility for any liability that may flow from the work.

OKHAKUMEN FAITH EFEMOUKHE

Date

CERTIFICATION

This is to certify that this project was carried out **OKHAKUMEN FAITH EFEMOUKHE** with Matriculation NO. **MGS2104850** to the Department of Business Administration, University of Benin, Benin City and approved in the scope and quality of partial fulfilment of the requirement of the award of Bachelor of Science (B.Sc.) Degree in Business Administration.

Prof Joseph E. Agbadudu
(Project Supervisor)

Date

Dr. S. A. Adekunle
(Project Coordinator)

Date

Dr. D. O. Ogbeide
(Head of Department)

Date

DEDICATION

This research work is humbly dedicated to God Almighty, whose mercy, wisdom, and strength have been my constant help and guidance from the beginning to the end of this study.

It is also dedicated to my wonderful family, whose love, prayers, and encouragement have been the driving force behind my determination and success. Their belief in me has given me the courage to keep pushing forward even in challenging times.

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ABSTRACT

This study examines the relationship between customer satisfaction and business profitability in selected pharmaceutical outlets, focusing on five constructs: product and service quality, perceived value, customer expectations, customer loyalty, and repurchase intention.

Using a quantitative design, data were collected from 154 customers and employees through structured questionnaires. Descriptive and regression analyses were conducted to assess the impact of each variable on profitability.

Results showed that product and service quality, perceived value, and customer expectations had positive but statistically insignificant effects. In contrast, customer loyalty ($B = 0.308, p = 0.000$) and repurchase intention ($B = 0.209, p = 0.016$) had significant positive impacts, with loyalty emerging as the strongest predictor of profitability. The study recommends that pharmaceutical outlets invest in loyalty-enhancing initiatives, develop customer retention strategies, train staff in customer-centric service, leverage digital engagement tools, and integrate satisfaction metrics into strategic planning.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Business profitability remains the central benchmark for evaluating the survival and long-term sustainability of firms, as it reflects their capacity to generate returns and create value for both owners and stakeholders. In highly regulated and capital-intensive industries such as pharmaceuticals, profitability is not only tied to efficient resource allocation but also to external pressures such as government regulation, consumer demand, and competitive forces (Barney & Hesterly, 2019; Yahaya, 2025). These factors underscore that profitability extends beyond financial metrics alone, requiring firms to embed strategies that can secure consistent market engagement. This highlights the growing recognition that customer-related factors are essential drivers of profitability in today's dynamic business environment (Kurznack et al., 2021; Stoelhorst, 2023).

Customer satisfaction emerges as a critical determinant of this profitability discourse, given its direct role in shaping consumer behaviour and purchase outcomes. It is commonly understood as the degree to which customer expectations are met or exceeded, incorporating perceptions of product quality, service delivery, and overall value received (Oliver, 2014; Blut et al., 2024). For pharmaceutical outlets, where trust, accessibility, and reliability are central to consumer decision-

making, ensuring satisfaction goes beyond meeting transactional needs to addressing deeper health-related concerns (Pasca & Ciavolino, 2023; Martin et al., 2025). Thus, customer satisfaction becomes not only a performance indicator but also a strategic tool for sustaining profitability within a sensitive and competitive sector.

Building on this understanding, satisfaction is shaped by multiple dimensions such as quality, perceived value, loyalty, and repurchase intention. When customers perceive products as reliable and fairly priced, their satisfaction translates into loyalty, stronger brand attachment, and repeat patronage (Schiebler et al., 2025; Makri et al., 2024). These outcomes are particularly important in the pharmaceutical industry, where customers rely on consistency and trust in health-related products. Moreover, dimensions such as emotional loyalty and repurchase intention reinforce long-term relationships, which in turn enhance stability in revenue streams (Bourdeau et al., 2024; Okeke et al., 2024). Therefore, the link between customer satisfaction and profitability is often expressed through these dimensions, positioning them as critical enablers of firm success.

The nexus between customer satisfaction and business profitability is become increasingly recognised, as satisfied customers contribute to sustained revenue growth, brand reputation, and reduced operational costs through loyalty and positive word-of-mouth (Mittal et al., 2023; Joseph & Abdul, 2025). In pharmaceuticals, this connection is amplified by the fact that health-related products carry higher stakes, making customer satisfaction pivotal for not just sales performance but also for corporate credibility and market share (Obafemi, 2024; Kumar & Thippeswamy,

2023). Firms that prioritize customer satisfaction often benefit from competitive advantage, resilience, and long-term profitability. Yet, within Nigeria's pharmaceutical sector, where affordability, regulation, and distribution challenges persist, the dynamics of this relationship may present unique outcomes. Against this backdrop, the present study investigates how customer satisfaction may shape business profitability in Nigerian pharmaceutical outlets in Edo State.

1.2 Statement of the Research Problem

In today's highly competitive business landscape, customer satisfaction has emerged as a central determinant of business profitability across industries. Firms that consistently meet customer expectations, deliver quality products, and create value are more likely to secure loyalty, repeat patronage, and positive word-of-mouth, all of which translate into sustained profitability (Mittal et al., 2023; Kumar & Thippeswamy, 2023). Within the pharmaceutical industry, this relationship becomes even more critical, as consumers demand not only affordability and accessibility but also assurance of authenticity and safety in products that directly affect their health and well-being. Despite the increasing importance of customer-centered practices, Nigerian pharmaceutical outlets continue to grapple with challenges such as regulatory bottlenecks, influx of counterfeit drugs, fluctuating product prices, and poor customer service, all of which undermine consumer trust and satisfaction (Obafemi, 2024; Pasca & Ciavolino, 2023). These realities create uncertainty in achieving sustainable profitability in a sector that plays an indispensable role in healthcare delivery. In urban centers such as Benin City, where the demand for pharmaceutical services is

growing, the inability of firms to integrate customer satisfaction strategies into their business models raises pressing questions about the sustainability of their profitability.

A critical examination of existing literature further reveals that while numerous studies such as (Joseph & Abdul, 2025; Zakari & Ibrahim, 2021) have explored the link between customer satisfaction and organizational performance in sectors such as banking, telecommunications, insurance, and manufacturing, to the knowledge of the researcher studies on pharmaceutical outlets in Nigeria, particularly within Edo State has been scarce. Furthermore, a methodological gap persists, as prior research such as (Joseph & Abdul, 2025) frequently employs tools such as chi-square and ANOVA, without integrating regression-based models that can capture the interrelationships between satisfaction variables and profitability outcomes in a cohesive framework. Also, the explanatory variables such as product and service **quality**, perceived values, customer expectations, customer loyalty, and customer repurchase intention are often overlooked or treated in isolation, leaving their collective effect on business profitability understudied by previous studies such as (Otieno & Oti, 2022; Drosos et al., 2019). This neglect creates a methodological gap, particularly within the pharmaceutical sector of Edo State, where the contextual realities of customer behaviour differ significantly from other industries. Against this backdrop, the present study seeks to fill these gaps by investigating the direct and integrative impact of customer satisfaction dimensions such as product and service **quality**, perceived values, customer expectations, customer loyalty, and customer repurchase intention on business

profitability in selected pharmaceutical outlets in Ikpoba Okha and Oredo LGAs of Benin City, Edo State.

1.3 Research Questions

Arising from the above research problem, the following research questions are raised:

- i. How does product and service **quality** influence business profitability in pharmaceutical outlets in Nigeria?
- ii. To what extent do perceived **values** affect business profitability in pharmaceutical outlets in Nigeria?
- iii. What is the relationship between customer **expectations** and business profitability in pharmaceutical outlets in Nigeria?
- iv. How does customer **loyalty** contribute to business profitability in pharmaceutical outlets in Nigeria?
- v. In what ways does customer **repurchase intention** impact business profitability in pharmaceutical outlets in Nigeria?

1.4 Research Objectives

The broad objective of this study is to examine customer satisfaction and business profitability in pharmaceutical outlets. Specifically, the study sought to:

- i. examine the influence of product and service **quality** on business profitability in pharmaceutical outlets in Nigeria;
- ii. assess the extent to which perceived **values** affect business profitability in pharmaceutical outlets in Nigeria;
- iii. investigate the relationship between customer **expectations** and business profitability in pharmaceutical outlets in Nigeria;
- iv. analyze the contribution of customer **loyalty** to business profitability in pharmaceutical outlets in Nigeria.; and
- v. determine the impact of customer **repurchase intention** on business profitability in pharmaceutical outlets in Nigeria.

1.5 Research Hypotheses

The following hypotheses stated in the null form shall be tested:

- i. Product and service **quality** has no significant influence on business profitability in pharmaceutical outlets in Nigeria.
- ii. Perceived **values** do not significantly affect business profitability in pharmaceutical outlets in Nigeria.
- iii. Customer **expectations** have no significant relationship with business profitability in pharmaceutical outlets in Nigeria.

- iv. Customer **loyalty** does not significantly contribute to business profitability in pharmaceutical outlets in Nigeria.
- v. Customer **repurchase intention** has no significant impact on business profitability in pharmaceutical outlets in Nigeria.

1.6 Scope of the Study

This study focuses on examining the relationship between customer satisfaction dimensions—specifically quality, values, expectations, customer loyalty, and repurchase intention—and business profitability in pharmaceutical outlets. The geographical scope is limited to Ikpoba Okha and Oredo Local Government Areas of Edo State, Nigeria. The justification for choosing these regions is due to the high concentration of major pharmaceutical outlets in these regions, and vibrant commercial activities. Moreover, access in terms of proximity to the researcher is also a key justification making it easier to distribute the research instrument to the respondents. The study will target five major pharmaceutical outlets within this area, including Airen Pharmacy, Health Plus Pharmacy, Medipharm Pharmacy, Fidson Healthcare Pharmacy, and MegaCare Pharmacy, which were selected because of their size, visibility, and active role in shaping consumer experiences in the local pharmaceutical market. The temporal scope is defined as a cross-sectional investigation conducted between August and October 2025, which provides sufficient time to capture reliable data on customer satisfaction indicators and their influence on business profitability during the study period.

1.7 Significance of the Study

The significance of this study lies in its potential to provide valuable insights into how customer satisfaction dimensions influence business profitability in pharmaceutical outlets, thereby benefiting multiple stakeholders.

Pharmaceutical outlets: For pharmaceutical outlets, the study provides empirical evidence on how quality, values, expectations, loyalty, and repurchase intention translate into profitability. This enables them to refine their customer relationship strategies, improve service delivery, and adopt customer-centered practices that secure competitive advantage and long-term financial sustainability.

Customers: For customers, the study ensures their voices and satisfaction indicators are recognized as critical inputs for business success. By highlighting the importance of quality products, fair value, and service responsiveness, the study contributes to better consumer experiences, improved trust in pharmaceutical services, and greater access to reliable healthcare products.

Industry Regulators: For regulatory bodies such as the Pharmacists Council of Nigeria and the National Agency for Food and Drug Administration and Control (NAFDAC), the findings highlight the importance of customer-focused standards in promoting ethical practices. Insights from the study can inform regulatory frameworks that encourage firms to balance profitability with consumer protection and quality assurance.

Policymakers: For policymakers, the study provides evidence-based knowledge that can support the design of policies aimed at strengthening the healthcare and pharmaceutical sectors. By linking customer satisfaction to profitability, the study demonstrates how consumer protection laws, fair pricing policies, and quality monitoring can foster both sustainable business operations and public health outcomes.

Academia and Researchers: For academics and researchers, the study contributes to the growing body of knowledge on customer satisfaction and business profitability in emerging markets. It provides a foundation for future research, facilitates comparative studies across sectors, and enhances understanding of how consumer-centric strategies affect business outcomes in regulated industries such as pharmaceuticals.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter focuses on the review of existing literatures. The conceptual literature examines concepts related to the subject matter, the theoretical literature examines relevant theories related

to the topic under study, the empirical literature examines previous studies that are closely related to this current study with their findings, and the chapter concludes with a theoretical framework.

2.2 Conceptual Review

This section provides the conceptualisation of business profitability and its measures, then customer satisfaction and its dimensions (quality, values, expectations, customer loyalty, repurchase intention).

2.2.1 Business Profitability

Business profitability is the extent to which an enterprise is able to generate income over and above its costs and expenses, serving as a central measure of organizational success, viability, and sustainability. It is typically assessed through standardized financial indicators such as Return on Assets (ROA), Return on Equity (ROE), Net Profit Margin, and Earnings Per Share (EPS), which reveal a firm's efficiency in deploying resources to generate economic returns (Chen, 2021; Maziriri & Madinga, 2022). These metrics are essential for financial reporting, investment appraisal, and strategic planning, allowing stakeholders to evaluate both operational effectiveness and financial resilience.

Recent studies conceptualize profitability not merely as a static financial metric, but as a dynamic, multifactorial outcome shaped by both internal capabilities and external conditions (Osei & Appiah, 2023). Internally, firm profitability is influenced by innovation capacity, cost management, digital integration, leadership competence, and supply chain efficiency (Harrigan &

Galloway, 2020). Externally, factors such as market competition, regulatory shifts, inflation, and global disruptions (e.g., COVID-19 and geopolitical instability) significantly alter a firm's profitability outlook (Adegbite & Madichie, 2021). For example, Mhlanga (2023) emphasized that profitability is highly contingent on adaptive capabilities in volatile environments, with agile firms outperforming rigid structures during market disruptions.

Furthermore, profitability is closely linked to strategic orientation and value creation. As asserted by Al-Ababneh (2022), firms that pursue a customer-centric and innovation-driven strategy tend to achieve superior profitability through differentiation and customer loyalty. In the same vein, Egbunike and Odum (2021) found that Nigerian listed firms with greater investment in sustainability practices and ESG compliance tend to report higher profitability, supporting stakeholder theory perspectives. These findings reinforce the notion that profitability is not an isolated outcome but an integrated product of ethical governance, strategic alignment, and environmental responsiveness.

Moreover, profitability also plays a decisive role in firm valuation and investor decision-making. Research by Nguyen et al. (2023) highlights that firms with strong profitability profiles attract greater investor confidence, command higher market capitalization, and experience enhanced access to capital markets. From a corporate governance lens, profitability determines dividend policy, executive compensation, and board accountability, making it both a financial outcome and a governance benchmark (Ogbonna & Ogechukwu, 2022).

Thus, business profitability remains a pivotal construct in both academic and practical domains. Its assessment provides insights not only into financial performance but also into strategic foresight, operational agility, and long-term sustainability. As global markets evolve and stakeholder expectations intensify, profitability will continue to serve as a critical barometer for firm competitiveness and value creation.

2.2.1.1 Return on Assets (ROA)

Return on Assets (ROA) is a widely recognized profitability ratio that measures how efficiently a firm utilizes its total assets to generate net income. It reflects the managerial capacity to convert resources such as property, equipment, and working capital into earnings, thereby providing insights into both operational efficiency and resource optimization (Brealey et al., 2020). ROA is critical because it integrates the effects of both financing and investing decisions into a single performance measure, allowing firms to assess whether their asset base is yielding sufficient returns to justify resource allocation (Barney, 1991). In industries such as pharmaceuticals, where capital investments in inventory, R&D, and distribution networks are substantial, ROA highlights whether firms are translating these intensive resource commitments into sustainable profitability outcomes (Katsikeas et al., 2016).

Empirical studies further emphasize that a higher ROA signifies stronger management performance, reduced operational inefficiencies, and long-term viability in competitive markets (Obafemi, 2024; Zakari & Ibrahim, 2021). For customer-centered sectors, scholars argue that ROA

can also capture the indirect effects of service quality, customer satisfaction, and loyalty, since firms with strong customer bases tend to enjoy stable cash flows and better utilization of tangible and intangible assets (Mittal et al., 2023; Pooser & Browne, 2018). Within the Nigerian context, particularly in pharmaceuticals and SMEs, ROA is often viewed as a reliable financial indicator for benchmarking business performance in relation to customer-centric practices, since satisfied and loyal customers directly contribute to more consistent revenue streams and ultimately enhance returns from existing assets (Joseph & Abdul, 2025; Olugbenga, 2024).

2.2.1.2 Return on Equity (ROE)

Return on Equity (ROE) is another key profitability measure that evaluates how effectively a firm generates income relative to the equity invested by its shareholders. It is often considered one of the most critical metrics for investors and financial analysts because it reveals whether management is efficiently using owners' capital to produce net earnings (Brealey et al., 2020). By linking profits to equity, ROE provides a measure of shareholder value creation and indicates whether a firm is financially sustainable in the long term (Wernerfelt, 1984). For firms in the pharmaceutical sector, where shareholders are sensitive to regulatory risks, high research costs, and fluctuating consumer demand, ROE functions as a robust signal of financial health and governance quality (Yahaya, 2025).

Scholars also highlight that ROE is strongly influenced by both internal strategies—such as cost control, pricing, and customer relationship management—and external forces such as market

competition and consumer expectations (Obafemi, 2024; Omolara, 2024). Firms that invest in enhancing customer satisfaction and loyalty often record higher equity returns, as these intangible assets lower volatility in revenues and ensure repeat patronage (Mittal et al., 2023; Joseph & Abdul, 2025). In Nigeria's service-based and product-based industries, including pharmaceuticals, empirical findings demonstrate that satisfied customers not only increase revenues but also reduce financial risks, thereby improving ROE outcomes (Olugbenga, 2024; Drosos et al., 2019). Thus, ROE captures not only financial performance but also the strategic effectiveness of aligning customer-centric practices with shareholder profitability.

2.2.1.3 Net Profit Margin (NPM)

Net Profit Margin (NPM) measures the percentage of net income generated from total revenue after accounting for all costs, expenses, interest, and taxes. It represents the firm's ability to control costs while maximizing profitability and is often used to compare performance across industries and time periods (Brealey et al., 2020). A higher NPM indicates that a company is successful at converting revenues into actual profit, reflecting effective pricing strategies, cost management, and operational efficiency (Kotler & Keller, 2016). In industries like pharmaceuticals, where cost pressures from regulation and supply chain fluctuations are persistent, NPM serves as a critical barometer for gauging financial resilience and operational sustainability (Obafemi, 2024).

Empirical studies consistently emphasize the close link between NPM and customer-centric practices. Firms that provide high service quality and meet customer expectations are more likely

to achieve stronger revenue stability, which directly improves net profit margins (Mittal et al., 2023; Joseph & Abdul, 2025). Nigerian studies have shown that customer satisfaction and loyalty reduce volatility in revenues and minimize marketing expenses, thereby enhancing NPM (Olugbenga, 2024; Olayinka et al., 2024). In pharmaceuticals, satisfied customers often translate into repeat purchases and reduced price sensitivity, both of which enhance profitability margins despite fluctuating input costs (Obafemi, 2024; Pooser & Browne, 2018). This underlines why NPM is widely used by managers and researchers as a practical metric of both financial performance and the indirect impact of customer-driven strategies.

2.2.2 Customer Satisfaction

Customer satisfaction is a central construct in marketing and service management literature, commonly defined as a consumer's evaluative judgment of a product or service in terms of whether it meets or exceeds their expectations (Schiebler, Lee & Brodbeck, 2025). According to Kotler and Keller (2016), customer satisfaction arises when there is a positive disconfirmation between perceived performance and customer expectations, meaning the delivered value is greater than anticipated. This perception-based view has been dominant in consumer behaviour theory, where satisfaction is seen as a post-consumption evaluation that influences future purchase intentions and loyalty (Oliver, 2014). Satisfaction is also viewed as a cumulative construct, encompassing not just individual transactions but the customer's overall experience with a firm over time (Hohenberg & Taylor, 2021). This longitudinal perspective is reflected in the American Customer Satisfaction

Index (ACSI) model, which operationalizes satisfaction as a function of customer expectations, perceived quality, and perceived value, capturing the multidimensionality of the construct in both attitudinal and behavioral terms (Pasca & Ciavolino, 2023).

Recent literature further conceptualizes customer satisfaction within strategic and relational paradigms, emphasizing its role as a key driver of firm performance, competitive advantage, and customer lifetime value. Customer satisfaction is now broadly regarded not just as a reactive post-purchase evaluation, but as an affective and cognitive state that evolves through ongoing interactions between the customer and the organization (Homburg, Jozić, & Kuehnl, 2015). This has led to more robust definitions that integrate emotional, experiential, and contextual components, reflecting the broader customer journey and relational engagement (Zhao, Cheng, Lv & Huang, 2025). For instance, Mutum and Ghazali (2023) argue that satisfaction is a multidimensional psychological state shaped by perceived service quality, trust, convenience, and relational benefits, all of which are particularly salient in digital and service-driven environments. Overall, customer satisfaction is a holistic, dynamic, and strategic construct that reflects a customer's perceived alignment between value delivery and personal expectations, with implications for firm sustainability and customer-centric innovation.

2.2.2.1 Quality

Quality is widely recognized as a foundational construct in service and product evaluation, defined as the extent to which a delivered offering aligns with or exceeds the expectations of the customer

(Martin, Elg & Gremyr, 2025). It is conceptualized not merely in technical terms but as a perceptual judgment reflecting users' experience with core features, performance, and reliability of a product or service. In recent scholarship, quality is presented as a multidimensional and experience-driven evaluation influenced by tangible and intangible factors, such as service responsiveness, empathy, and technological interface (Asa, Bock & Nautwima, 2024). Rather than a static assessment, quality is portrayed as dynamic and context-sensitive, shifting based on evolving consumer standards and environmental changes (Janda, Shainesh & Hillebrand, 2021). Emerging models integrate digital, emotional, and environmental dimensions of quality, particularly in service economies where subjective interpretation plays a dominant role (Akhmedova, Manresa, Escobar Rivera & Bikfalvi, 2021). Furthermore, quality is increasingly linked to strategic business outcomes such as trust, satisfaction, loyalty, and brand equity underscoring its role as a competitive lever in customer relationship management (Mukhtar, Khan, Ahmad & Irfan, 2024). Accordingly, quality is not just an operational construct but a holistic perceptual schema shaped by customer experience, relational interactions, and contextual innovation.

2.2.2.2 Values

Customer values, or perceived value, refer to the comprehensive evaluative judgment a customer makes when weighing the benefits received from a product or service against the costs incurred (Blut et al., 2024). In contemporary research, this construct is increasingly framed as

multidimensional, encompassing not only utilitarian dimensions (e.g., price and performance) but also symbolic, experiential, and social aspects (Cui & Aulton, 2023). Perceived value is now understood as being co-created through customer-firm interaction, facilitated by personalization, emotional resonance, and service experience quality (Paulose & Shakeel, 2022). The literature emphasizes that value is inherently subjective, varying across consumers, situations, and cultural contexts. For example, Rintamäki and Saarijärvi (2021) propose that value emerges through individual interpretation of service experiences rather than objective performance metrics alone. This experiential perspective has gained prominence in the digital and service economy, where intangible benefits such as convenience, speed, and relationship strength significantly influence value perceptions (Xie, 2024). Thus, customer value is broadly seen as an integrative construct, rooted in cognitive-affective evaluations and extending beyond economic utility to include the psychological and contextual realities of consumption.

2.2.2.3 Expectations

Expectations are conceptualized as pre-consumption beliefs or standards that customers use to anticipate product or service performance (Vichiengior, Ackermann & Palmer, 2023). These expectations serve as a mental benchmark for evaluating actual experiences and play a central role in satisfaction judgments and service quality assessments. Contemporary literature describes expectations as fluid and evolving, shaped by a multitude of factors including prior experiences, peer influence, marketing communications, and environmental cues (Curtin, 2022). Scholars

increasingly highlight the existence of multiple expectation types predictive, normative, ideal, and minimum tolerable expectations which together frame the evaluative process consumers employ when engaging with firms (Makri, Bourdin & Herz, 2024). Recent developments emphasize the importance of expectation management throughout the customer journey, especially as digital technologies heighten real-time comparisons and raise performance benchmarks (Okeke et al., 2024). Furthermore, customer expectations are now regarded as co-constructed within the broader service ecosystem, evolving dynamically as customers encounter multiple touchpoints (Tran, 2025). As such, expectations are no longer viewed as static or purely cognitive, but as socially embedded anticipations shaped by personal, social, and technological inputs.

2.2.2.4 Customer Loyalty

Customer loyalty is defined as a sustained psychological commitment and behavioral predisposition to repurchase or re-engage with a preferred brand or service provider over time (Maung, 2022). Recent literature underscores loyalty as a multifaceted construct encompassing affective, cognitive, and conative dimensions, reflecting both emotional attachment and behavioral intentions (Lee & Kim, 2024). It has evolved from being measured solely through repeat purchase behavior to incorporating attitudinal loyalty, including advocacy, resistance to switching, and willingness to pay a premium (Bourdeau, Cronin & Voorhees, 2024). In a highly competitive and digitally mediated market, customer loyalty is increasingly seen as a function of consistent value co-creation, customer experience quality, trust, and emotional engagement (Ahmad et al., 2022).

Moreover, scholars stress the importance of relational quality such as transparency, responsiveness, and empathy in building sustainable loyalty (Trzcielinski Mongiat-Leveque & Besson, 2024). Loyalty is also viewed as a strategic asset, directly influencing customer lifetime value, profitability, and brand resilience (Ali & Hmood, 2022). Therefore, in contemporary scholarship, loyalty transcends repetitive behavior and is positioned as a holistic outcome of perceived value, experiential consistency, and affective engagement.

2.2.2.5 Repurchase Intention

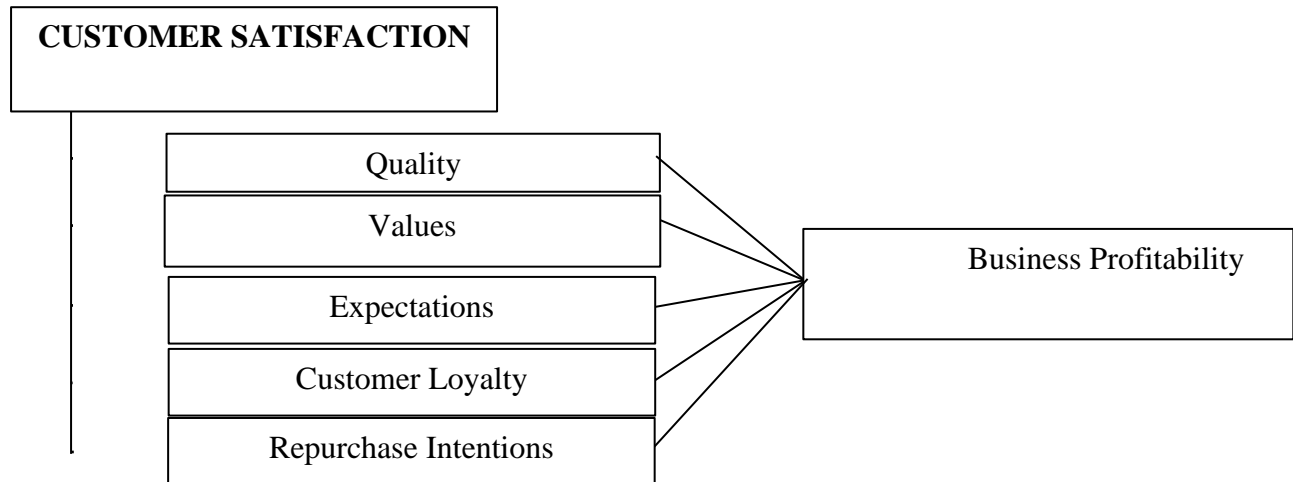
Repurchase intention is defined as the customer's deliberate and conscious inclination to continue purchasing a product or service from the same provider in the future (Wantara & Suryanto, 2023). It is widely accepted in contemporary literature as a forward-looking, behavioral indicator shaped by prior satisfaction, trust, and perceived value (Tian, Siddik & Masukujjaman, 2022). As an antecedent to actual behavior, repurchase intention reflects not only rational evaluations of product performance but also affective responses and perceived relational equity (Doeim et al., 2022). In the context of service and e-commerce environments, repurchase intention is further influenced by convenience, personalization, and perceived risk (Miao et al., 2022). It also integrates post-consumption cognitive dissonance and confirmation-disconfirmation mechanisms, where the alignment (or misalignment) between expectations and actual experiences informs future purchase intentions (Ramasamy, Ramasamy & Ramasamy, 2024). As scholars note, repurchase intention is a key metric for forecasting customer retention, especially in subscription-based and loyalty-driven

industries (Muratcehajic & Loureiro, 2024). Thus, it operates as both an outcome of previous service interactions and a predictor of long-term customer engagement, with strategic implications for marketing retention efforts and business sustainability.

2.3 Conceptual Framework

The conceptual framework which links the independent variables (quality, values, expectations, customer loyalty, repurchase intention) of the study to the dependent variable (business profitability) is presented in figure 2.1.

Figure 2.1 Conceptual Framework



Source: Researcher's Conceptual Framework (2025).

2.4 Theoretical Review

The following theories which are pertinent to the study are reviewed below.

2.4.1. Expectancy-Disconfirmation Theory (EDT)

Expectancy-Disconfirmation Theory (EDT), originally proposed by Oliver (1980), remains one of the most foundational psychological frameworks for understanding customer satisfaction and its subsequent impact on business performance. At its core, EDT posits that customer satisfaction is a cognitive and affective reaction resulting from a comparison between pre-purchase expectations and actual performance outcomes. Satisfaction emerges when performance either matches (confirmation) or exceeds (positive disconfirmation) expectations, whereas dissatisfaction occurs when performance falls short (negative disconfirmation). This model has evolved to account for

various types of expectations (predictive, normative, and ideal), which frame customer evaluations and subsequent satisfaction judgments (Santos & Boote, 2003). Within the marketing discipline, the EDT framework has been widely used to explain post-purchase behavior, such as repurchase intentions and brand switching. The theory's adaptability has enabled its application across sectors ranging from hospitality and retail to digital services underlining its universal relevance in capturing the cognitive mechanisms behind consumer evaluations (Patterson, Yu, & de Ruyter, 2021).

In the context of business profitability, EDT serves as a powerful explanatory model for the causal relationship between service delivery, satisfaction, and financial performance. When customers experience positive disconfirmation, they are more likely to engage in repeat purchases, recommend the business to others, and remain loyal over time, all of which contribute to firm-level revenue and cost efficiencies (Anderson & Sullivan, 1993). Positive word-of-mouth, reduced churn rates, and lower customer acquisition costs serve as indirect financial returns stemming from satisfied customers. Recent empirical studies confirm that firms capable of consistently delivering performance that meets or exceeds expectations experience superior profitability outcomes compared to those that fail to do so (de Matos, Henrique, & Rossi, 2017). Moreover, in competitive environments characterized by product parity, the management of expectations and perceived performance becomes a strategic lever for customer satisfaction and, by extension, economic

sustainability. As such, EDT provides a robust theoretical lens to assess how perceptual and psychological factors translate into tangible business outcomes.

2.4.2. Resource-Based View (RBV)

The Resource-Based View (RBV), first advanced by Wernerfelt (1984) and later expanded by Barney (1991), conceptualizes firms as bundles of tangible and intangible resources that can generate sustained competitive advantage when they are valuable, rare, inimitable, and non-substitutable (VRIN criteria). Within this paradigm, customer satisfaction is increasingly recognized as an intangible, firm-specific resource that meets all four VRIN attributes. It is valuable because it drives consumer loyalty and revenue; rare because consistently high satisfaction is difficult to achieve across industries; inimitable due to its contextual, experience-driven formation; and non-substitutable as it often cannot be replaced by other organizational assets without diminishing outcomes (Newbert, 2008). Recent literature further positions customer satisfaction as a capability that allows firms to learn about and adapt to market preferences, reinforcing their market orientation and customer responsiveness (Ferreira et al., 2020). In this view, firms that institutionalize satisfaction measurement and management processes develop dynamic capabilities that contribute directly to sustained profitability and long-term success.

In terms of its relationship with business profitability, RBV suggests that customer satisfaction creates strategic leverage by reinforcing customer relationships, reducing marketing costs, and enabling firms to command premium pricing. High levels of customer satisfaction lead to customer

retention, which is a key determinant of customer lifetime value a critical metric in assessing long-term profitability (Yousaf, Sahar, & Majid, 2022). Moreover, satisfied customers often engage in co-creation, provide feedback, and participate in service innovation processes, further enhancing firm resources and capabilities (Sirmon, Hitt, & Ireland, 2007). From an RBV perspective, customer satisfaction is not merely an outcome but a source of ongoing resource renewal and organizational learning. This reconfiguration capability strengthens the firm's strategic positioning, particularly in service-intensive or highly competitive industries. Consequently, RBV provides a strategic framework for understanding how the management of customer satisfaction can lead not only to immediate financial gains but also to the building of durable competitive advantages that sustain profitability over time.

2.4.3. Customer Equity Theory

Customer Equity Theory, developed by Rust, Zeithaml, and Lemon (2000), conceptualizes the long-term value of a firm's customer base as a critical asset, consisting of three key drivers: value equity, brand equity, and relationship equity. This theory links customer satisfaction to financial performance by arguing that satisfied customers increase the firm's customer equity through higher purchase frequency, lower defection rates, and greater lifetime value. Value equity refers to the consumer's objective assessment of the utility of a brand based on price and quality; brand equity involves subjective and emotional attachment to the brand; and relationship equity captures the customer's perception of loyalty programs, service personalization, and trust. All three

dimensions are affected by customer satisfaction, which serves as a foundational antecedent influencing how customers perceive the firm and how they choose to behave in the future (Kumar & Reinartz, 2016). Hence, customer satisfaction is positioned as a pivotal construct in managing customer assets and, ultimately, in maximizing profitability.

Recent research has expanded Customer Equity Theory by integrating digital transformation, customer engagement, and data analytics into the value management process. Firms that systematically measure and manage satisfaction are better able to predict customer lifetime value (CLV), allowing for strategic resource allocation to high-value customer segments (Katsikeas, Morgan, Leonidou, & Hult, 2016). Moreover, studies show that improving customer satisfaction enhances both brand and relationship equity, which in turn strengthens customer loyalty and advocacy key drivers of long-term profitability (Lemon, 2016). The theory emphasizes the monetization of satisfaction-related metrics and bridges the gap between marketing efforts and financial performance by operationalizing satisfaction in terms of its direct and indirect contributions to equity growth. Therefore, Customer Equity Theory offers a robust, finance-linked framework for understanding how satisfaction initiatives translate into long-term firm value and sustainable profitability.

2.4.4. Service-Profit Chain Theory

The Service-Profit Chain Theory, first proposed by Heskett et al. (1994), provides a systemic framework linking internal organizational practices to external financial performance through a

series of interconnected relationships. Central to this theory is the proposition that internal service quality defined by employee satisfaction, capability, and engagement leads to improved service value, which in turn drives customer satisfaction and loyalty, culminating in increased revenue and profitability. Customer satisfaction is seen as a key mediating variable within this chain, transforming internal efficiencies into market outcomes (Homburg, Wieseke, & Bornemann, 2020). The theory emphasizes the causality and sequence of performance metrics, suggesting that investments in employee engagement and service design yield satisfaction and loyalty, which ultimately improve financial returns. This integrated perspective is particularly relevant in service-dominant industries, where human interaction and relationship quality heavily influence customer perceptions.

Contemporary applications of the Service-Profit Chain Theory have extended its relevance to digital and omni-channel service contexts, where customer experience is shaped by a combination of human and technological touchpoints (Klaus, 2020). Scholars have reinforced the theory's premise by empirically validating the linkages between employee satisfaction, customer experience, loyalty behavior, and profitability across industries such as hospitality, banking, and healthcare (Kim, Park, & Lee, 2022). Moreover, the theory provides a comprehensive basis for performance management systems that align operational metrics with strategic financial outcomes. By conceptualizing satisfaction as a pivot point in the profit chain, the model positions it not only as a consumer-level phenomenon but as an organizationally embedded process that can be

strategically engineered. Thus, Service-Profit Chain Theory furnishes a holistic explanation of how customer satisfaction functions as both a conduit and a consequence of broader business practices, offering actionable insights for enhancing profitability through systemic alignment.

2.5 Empirical Review

Joseph and Abdul (2025) investigated the influence of customer satisfaction on the business performance of SMEs in Southwest Nigeria, recognizing the sector's pivotal role in national economic development. Employing a cross-sectional survey design, the authors collected data from 199 registered SMEs through structured questionnaires and applied quantitative analysis techniques. The study found a statistically significant and strong positive relationship between customer satisfaction and business performance, indicating that high customer satisfaction levels lead to enhanced financial and operational outcomes. The researchers concluded that for SMEs, prioritizing customer satisfaction is integral to sustaining competitiveness and achieving long-term viability.

Obafemi (2024) assessed the effect of customer satisfaction on organizational performance in Nigeria's brewery industry, with a focus on profitability metrics. Drawing on both primary data from 84 staff in three Lagos-based firms and secondary data, the study utilized regression analysis and ANOVA to analyze the results. The findings revealed that customer satisfaction accounted for 63% of the variance in organizational performance ($R^2 = 0.630$; $F = 3.838$; $p < 0.05$), highlighting its critical role in driving firm profitability. The author concluded that aligning business strategies

with customer expectations significantly enhances performance and competitiveness in the brewery sector.

Omolara (2024) examined how service delivery affects market performance among Deposit Money Banks in Southwest Nigeria, using data from 395 bank employees. Utilizing Structural Equation Modeling (SEM) via SmartPLS, the study found moderate-to-weak relationships between service delivery (0.549), top management commitment (0.481), and customer equity. While a majority of respondents reported improvements in service speed and decision-making, persistent inefficiencies were noted. The study concluded that service delivery contributes to market outcomes, but its effectiveness is largely contingent on strong managerial alignment and operational efficiency.

Olayinka, Arinze, and Ezeude (2024) explored the relationship between customer loyalty and sales performance at Dangote Sugar Refinery, emphasizing emotional loyalty and service quality. Using a survey of 84 respondents and Pearson's correlation analysis, the study found significant positive relationships between emotional loyalty, service quality, and sales outcomes at the 0.05 significance level. The findings suggested that cultivating affective loyalty, beyond mere satisfaction, is vital for enhancing sustained sales performance and should be central to customer relationship strategies.

Akanbi and Obafemi (2024) analyzed the influence of customer loyalty on organizational performance in publishing firms in Lagos and Ibadan, Nigeria. Surveying 401 employees across

40 firms, the study employed Pearson's correlation analysis and reported a strong, significant relationship ($r = 0.715$, $p < 0.01$) between customer loyalty and organizational performance. The authors argued that loyal customers serve as strategic assets by driving repeat patronage, reducing marketing costs, and enhancing firm reputation, advocating for loyalty-based strategies in performance management within creative industries.

Olugbenga (2024) conducted a study on how customer service affects organizational growth in the Nigerian telecommunications sector, using MTN Nigeria as a case study. With data from 216 valid customer responses, the research employed regression analysis and found that service response time and problem resolution together explained only 4.4% of the variance in organizational growth. This limited predictive capacity suggested a misalignment between service efforts and business outcomes. The study concluded that while customers value responsive service, its impact on growth is marginal unless better integrated with overarching strategic objectives.

Olugbenga (2024) also examined the effect of customer satisfaction on organizational performance within Nigeria's brewery sector, employing a mixed-method approach involving 84 employees from three Lagos-based firms. Regression results showed that customer satisfaction accounted for 63% of performance variance ($R^2 = 0.630$; $F = 3.838$; $p < 0.05$), reinforcing its importance in driving profitability, loyalty, and competitiveness. The study emphasized the strategic role of customer satisfaction in shaping firm outcomes, particularly in consumer-focused industries facing intense market rivalry.

Tina and Alaba (2024) investigated how post-sales service strategies affect the performance of SMEs in Ibadan, Nigeria, focusing on elements such as responsiveness, follow-up, and warranty support. Utilizing survey data collected through structured questionnaires from SME owners, the study found that effective post-sales service significantly contributes to customer retention and improved operational outcomes. The authors emphasized that post-sales engagement is not merely a support mechanism but a strategic lever for competitiveness and sustainability in resource-constrained environments. The research thereby positions post-sales service as an essential component of SME resilience and performance optimization in emerging markets.

Mittal et al. (2023) conducted a comprehensive meta-analysis spanning over four decades of research, integrating 535 correlations from 245 studies with a cumulative sample size exceeding 1.16 million observations. Their findings revealed a robust and positive relationship between customer satisfaction and key performance outcomes, including retention, spending, word-of-mouth, and firm-level metrics across financial, market, and accounting domains. The study also highlighted moderating variables such as industry and measurement methods, which influence the strength of these relationships. It concluded that customer satisfaction is a strategic asset with quantifiable impacts, warranting systematic inclusion in business planning and performance evaluation processes.

Kumar and Thippeswamy (2023) examined the influence of customer satisfaction on firm performance through a mixed-method approach that incorporated both survey data and financial

reports from diverse industries. Their analysis, which employed regression, correlation, and content analysis, revealed strong links between satisfaction and outcomes like profitability, market share, and revenue growth. Qualitative insights further indicated that satisfaction fosters loyalty and brand advocacy, serving as intermediary drivers of performance. The study concluded that customer satisfaction should be institutionalized within strategic decision-making, particularly in dynamic markets where firms seek sustained competitive advantage through service innovation and customer engagement.

Olugbenga (2024) assessed the influence of customer service—specifically response time and issue resolution—on organizational growth within Nigeria’s telecommunications industry, focusing on MTN Nigeria. Despite high customer valuation of these service factors, regression results indicated they explained only 4.4% of growth variance, suggesting a weak predictive relationship. The study highlighted a disconnect between service provision and strategic business outcomes, urging firms to realign customer service operations with broader organizational goals. It concluded that while operational responsiveness is important, it must be better integrated with value-driven strategies to yield measurable growth.

Abusomwan and Agbonkhese (2023) applied the Service-Profit Chain framework to explore the relationships among employee loyalty, customer-centricity, customer loyalty, and financial performance in Nigeria’s banking sector. Using data from customers, employees, and managers across 120 bank branches nationwide, and analyzed via the Generalized Method of Moments

(GMM), the study found a sequential positive linkage from employee loyalty to customer loyalty, culminating in enhanced financial outcomes. It also uncovered significant contextual variations, including higher profitability in banks with female leadership and superior performance in southern branches. The findings affirm that customer satisfaction acts as a mediating construct transforming internal capabilities into external market success.

Sheikh (2022) explored the mediating role of customer satisfaction in the relationship between Service Recovery Performance (SRP) factors and business growth within the Bangladeshi garment manufacturing sector. Drawing on survey data from 354 factories and analyzed through PLS-SEM, the study revealed that SRP factors—such as top management commitment, training, and role clarity—have both direct and satisfaction-mediated effects on business growth. Notably, customer satisfaction mediated the impact of management commitment, job satisfaction, customer characteristics, and role ambiguity. The study emphasized that internal organizational practices significantly influence growth outcomes through customer-centric mechanisms, especially in export-driven industries reliant on sustained customer loyalty.

Oteino and Oti (2022) applied an extended Expectation Disconfirmation Theory (EDT) framework to assess bottled water repurchase intentions in Idah, Nigeria, incorporating brand trust as a pivotal variable. Utilizing PLS-SEM and Importance-Performance Analysis on data from 200 consumers, the study found brand trust to be the strongest predictor of repurchase intention, while perceived quality and expectations had marginal and mixed effects. The results suggested that in low-

involvement product categories like bottled water, brand trust supersedes quality perceptions in shaping consumer loyalty. This study underscores the primacy of trust in consumer behavior, especially for frequently purchased, low-engagement goods.

Raji and Joseph (2022) investigated the impact of service quality on non-financial performance indicators in the commercial property sector of Kano State, Nigeria. Based on survey responses from 132 participants, the study identified comfortability, reliability, empathy, and assurance as key service dimensions influencing outcomes such as customer satisfaction, staff attitudes, safety compliance, and return on investment. The research concluded that high service quality contributes to long-term organizational sustainability and asset value. It recommended strategic enhancements in customer engagement, service efficiency, and technology adoption to support performance in emerging real estate markets.

Hamilton-Ibama and Elvis (2022) examined how service quality influences customer retention in deposit money banks in Port Harcourt, Nigeria. Surveying 168 bank employees across 21 institutions and applying the Spearman Rank Order Correlation, the study identified tangibility and empathy as significant predictors of both satisfaction and retention. These findings affirmed the importance of physical infrastructure and emotional engagement in sustaining customer loyalty. The research reinforced marketing theories linking service quality to behavioral outcomes, suggesting that banks should invest in empathetic service delivery and facility enhancement to mitigate customer churn.

Eshiett and Eshiett (2021) analyzed the relationship between customer loyalty and patronage in Nigerian retail outlets, focusing on Shoprite customers across Lekki, Ikeja, and Surulere. Employing a mixed-methods approach grounded in Equity Theory and retail experience frameworks, the study utilized questionnaires and interviews to capture consumer behavior. Pearson Correlation analysis revealed a significant positive relationship between customer loyalty and consistent retail patronage. The study concluded that improving the overall retail experience enhances loyalty and repeat visitation, positioning loyalty as a strategic asset in Nigeria's competitive retail sector.

Zakari and Ibrahim (2021) studied the effect of customer satisfaction on the business performance of Nigerian SMEs, emphasizing the role of customer-centric growth in sustainable development. Based on survey data from 100 SME stakeholders and analyzed using descriptive and inferential statistics, the study found a significant positive correlation between satisfaction and performance metrics. It recommended expanding financial support to SMEs to enhance service delivery capabilities and meet customer expectations. The findings validated the theory that satisfied customers promote repeat business and profitability, making satisfaction a critical determinant of SME success.

Nosike and Egbunike (2021) assessed the impact of emotional and behavioral customer loyalty on sales performance, focusing on Dangote Cement products in Awka, Nigeria. Using a survey design with 124 respondents and applying Pearson correlation analysis, the study found significant

positive relationships between both loyalty dimensions and purchase intentions. These findings suggest that managing emotional connections and habitual buying behaviors is critical to enhancing market share and sustaining product-level sales. The research emphasized the strategic importance of dual loyalty dimensions in driving consumer commitment in competitive commodity markets.

Nosike (2022) extended the previous investigation with a larger sample of 165 respondents in the same geographic context, reaffirming the strong, positive relationships between emotional and behavioral loyalty and consumer purchase intentions. Using consistent methodology and analytical tools, this follow-up study reinforced the earlier conclusion that loyalty significantly drives sales performance. The study provides robust empirical support for loyalty-centric marketing strategies, highlighting the compounded influence of affective attachment and repetitive purchasing behavior in maintaining brand dominance.

Drosos, Skordoulis, and Chalikias (2019) conducted a large-scale study involving 6,968 telecommunications users in Greece to examine the relationship between customer satisfaction and business profitability. Utilizing the MUSA method alongside regression and correlation analyses, the study identified a strong positive relationship between satisfaction and profitability. The findings affirmed that enhanced service delivery, pricing strategies, and customer experiences significantly increase market share and financial performance. The study contributed to the service

quality discourse by quantifying satisfaction as a driver of profitability in customer-intensive sectors.

Adeinat and Kassim (2019) revised the Service-Profit Chain (SPC) model by incorporating employee productivity as a mediating factor in high-contact service environments. Using EFA and SEM, the study found that internal service quality significantly influences employee satisfaction, which then drives loyalty and productivity. Notably, productivity partially mediated the relationship between satisfaction and loyalty. The study empirically validated a refined SPC framework, highlighting the dual internal and external performance gains from enhancing workplace service quality and employee outcomes.

Jyoti, Kour, and Sharma (2017) evaluated the impact of Total Quality Services (TQS) on financial performance using the SPC model in automobile showrooms in India. With data from 85 executives, 380 employees, and 289 customers, the study employed CFA and SEM to examine linkages among internal service quality, employee satisfaction, customer satisfaction, and financial outcomes. Results confirmed that TQS positively impacts internal quality, which then drives satisfaction and commitment, ultimately enhancing customer satisfaction and financial results. The study demonstrated the value of integrated quality management systems in improving organizational performance via human and service pathways.

Pooser and Browne (2018) analyzed the relationship between customer satisfaction and profitability in the U.S. property and casualty insurance sector using J.D. Power data. Regression

analysis revealed that higher satisfaction correlates with lower operational costs and higher profitability, driven by enhanced retention and reduced acquisition costs. The study highlighted that even in highly regulated, low-differentiation markets, customer satisfaction is a pivotal profitability lever. It advocated for strategic investment in service improvements to optimize financial performance through retention efficiency.

Nebo and Okolo (2016) examined how customer satisfaction strategies affect the performance of insurance firms in Enugu, Nigeria. Drawing on data from 20 managers and 128 long-term customers, the study used PCA and multiple regression to analyze ten strategies, seven of which including claim responsiveness and policy clarity were significant predictors of firm performance. With an R^2 of 0.766 ($p < 0.001$), the model strongly explained performance variance. The findings underscore the transformative potential of structured satisfaction strategies in boosting customer trust and firm outcomes in low-penetration insurance markets.

Goyit and Nmadu (2016) investigated the link between service quality and profitability in Nigeria's banking industry using secondary data and SPSS-based regression analysis. Contrary to expectations, the study found no significant relationship between service quality investments and financial performance indicators such as deposits and turnover. The authors suggested possible issues in implementation quality or misalignment between service improvements and customer perceptions. These findings challenge assumptions of direct causality between service

enhancements and profitability, especially in regulated markets where customer options and expectations are constrained.

Table 2.1 Tabular Summary of Empirical Review

S/NO	Author, Year & Title	Sector & Location	Methodology	Findings	Gaps
1	Joseph & Abdul (2025). <i>Effect of Customer Satisfaction on Business Performance of SMEs in Southwest Nigeria</i>	SMEs, Southwest Nigeria	Survey (199 SMEs), regression	Strong positive relationship between satisfaction and SME performance	Different sector; no focus on profitability; excludes loyalty and repurchase
2	Obafemi (2024). <i>Customer Satisfaction and Brewery</i>	Brewery, Lagos	Survey (84 staff), regression & ANOVA	$R^2 = 0.63$; satisfaction significantly affects performance	Brewery focus; lacks loyalty, expectations, and repurchase constructs

	<i>Performance in Nigeria</i>				
3	Omolara (2024). <i>Service Delivery and Market Performance in Banks</i>	Banking, Southwest Nigeria	Survey (395 bank staff), SEM	Weak-moderate correlations between service metrics and performance	Service delivery focus; no profitability variable
4	Olayinka et al. (2024). <i>Customer Loyalty and Sales of Dangote Sugar</i>	Manufacturing, Nigeria	Survey (84 responses), SPSS	Loyalty positively influences sales	Measures sales, not profitability; no pharma or repurchase focus
5	Akanbi & Obafemi (2024). <i>Customer</i>	Publishing, Lagos/Ibadan	Survey (401 employees), correlation	$r = 0.715$; significant loyalty-	Different sector; omits repurchase intention

	<i>Loyalty and Performance in Publishing Companies</i>			performance relationship	
6	<i>Olugbenga (2024). Customer Service in Nigerian Telecom Industry</i>	Telecom (MTN), Nigeria	Survey (216 customers), regression	R ² = 0.044; weak predictive power	Telecom context; excludes loyalty and profitability
7	<i>Tina & Alaba (2024). Post Sales Service and SME Performance in Ibadan</i>	SMEs, Ibadan	Survey (SME owners)	Post-sales service enhances performance and customer retention	No regression; not sector-specific; no profitability link

8	Kumar & Thippeswamy (2023). <i>Customer Satisfaction and Company Performance</i>	Multi-sector, Global	Mixed methods (quantitative/qualitative), regression	Satisfaction improves revenue, loyalty, market share	Not Nigerian context; broad sector coverage
9	Abusomwan & Agbonkhese (2023). <i>Customer Centricity and Bank Performance in Nigeria</i>	Banking, Nigeria	Survey (120 branches), GMM	Loyalty improves bank performance; southern banks more profitable	Banking focus; employee loyalty dominant
10	Sheikh (2022). <i>Service Recovery, Satisfaction,</i>	Garment, Bangladesh	Survey (354 factories), PLS-SEM	Satisfaction mediates service	Not Nigerian; no pharma or profitability variable

	<i>and Growth in Bangladesh</i>			recovery and growth	
11	Otieno & Oti (2022). <i>Repurchase Intention in Bottled Water Sector</i>	FMCG, North-Central Nigeria	Survey (200 customers), PLS-SEM	Trust strongest predictor of repurchase intention	Focused on trust; excludes profitability and pharma sector
12	Raji & Joseph (2022). <i>Service Quality and Non-Financial Performance in Kano</i>	Real Estate, Kano	Survey (132 respondents)	Comfort, empathy, reliability affect performance	Excludes profitability; real estate focus
13	Hamilton-Ibama & Elvis (2022). <i>Service Quality and</i>	Banking, Port Harcourt	Survey (150 responses), Spearman correlation	Service quality significantly predicts loyalty	Focuses on retention, not profitability; different sector

	<i>Retention in Banks</i>				
14	Eshiett & Eshiett (2021). <i>Customer Loyalty and Patronage in Nigeria Retail</i>	Retail (Shoprite), Lagos	Survey, interview, correlation	Loyalty linked to frequent patronage	Patronage measured, not profitability
15	Zakari & Ibrahim (2021). <i>Customer Satisfaction and SMEs in Nigeria</i>	SMEs, Nigeria	Survey (100 SMEs)	Significant positive satisfaction-performance link	Not pharmaceutical-specific; excludes profitability metrics
16	Nosike & Egbunike (2021). <i>Loyalty and</i>	Cement, Awka	Survey (124 consumers), correlation	Loyalty positively influences	Measures sales intention; different sector

	<i>Sales of Dangote Cement in Awka</i>			purchase intention	
17	Nosike (2022). <i>Customer Loyalty and Sales of Dangote Cement</i>	Cement, Awka	Survey (165 respondents)	Emotional and behavioral loyalty positively affect purchase	Focused on loyalty, not profitability; cement sector
18	Drosos et al. (2019). <i>Customer Satisfaction and Profitability in Greece</i>	Telecom, Greece	Survey (6,968), MUSA analysis	Satisfaction positively impacts profitability	International study; telecom focus; not pharma or Nigeria

19	Adeinat & Kassim (2019). <i>Service Profit Chain and Employee Productivity</i>	Services, Malaysia	SEM, factor analysis	Internal service → employee satisfaction → productivity	Non-Nigerian; employee-centric focus
20	Jyoti et al. (2017). <i>TQS and Financial Performance in Auto Sector</i>	Automobile, North India	SEM, EFA, CFA	Satisfaction influences loyalty and financial outcomes	Indian setting; excludes pharmaceutical and Nigerian firms
21	Pooser & Browne (2018). <i>Customer Satisfaction in U.S. Insurance Industry</i>	Insurance, USA	Regression on J.D. Power data	Satisfaction reduces cost, boosts profit	US-based; not applicable to Nigerian pharma

22	Nebo & Okolo (2016). <i>Customer Satisfaction Strategies in Insurance Firms</i>	Insurance, Enugu	Survey (148 total), regression	R ² = 0.766; 7 strategies significantly boost performance	Sectoral gap; no pharma or repurchase focus
23	Goyit & Nmadu (2016). <i>Service Quality and Bank Profitability in Nigeria</i>	Banking, Nigeria	Regression, SPSS, secondary data	No significant link between service quality and profitability	Weak findings; sectoral difference
24	Mittal et al. (2023). 40 <i>Years of Research on Satisfaction</i>	Multi-sector, Global	Meta-analysis (245 studies, 1.1M samples)	Satisfaction linked to firm and customer outcomes	Not Nigeria-specific; general scope

	<i>and Performance</i>				
25	Olugbenga (2024). <i>Customer Satisfaction and Organizational Performance in Nigeria's Brewery Industry</i>	Brewery, Lagos	Survey, regression & ANOVA	Satisfaction explains 63% of variance in performance	Duplicate study from S/No 2; Brewery focus, lacks loyalty and repurchase

Author's Compilation (2025)

2.6 Research Gaps

A critical examination of existing literature reveals that while extensive studies have been conducted on customer satisfaction and organizational performance across various sectors such as banking, manufacturing, insurance, telecommunications, and retail, limited research has focused specifically on the pharmaceutical industry in Nigeria, particularly within Edo State. Many of these studies (Joseph & Abdul, 2025; Zakari & Ibrahim, 2021), primarily explore Small and Medium Enterprises (SMEs) in general, without sector-specific insights, thereby limiting the contextual relevance to pharmaceutical outlets. Additionally, Olayinka et al. (2024); Nosike (2022) reviewed works assess performance through a broad organisational metrics like market share, growth or sales performance, however, this study focuses on more explicit construct of business profitability. Furthermore, a methodological gap exists in the integration of comprehensive variables that influence customer satisfaction and their direct impact on business profitability (Joseph & Abdul, 2025; Zakari & Ibrahim, 2021). This methodological gaps entails the use of chi square and ANOVA, however, this study will adopt regression analysis. Moreover, variables such as perceived quality, customer value, expectations, loyalty, and repurchase intention though theoretically acknowledged are omitted across many studies (Otieno & Oti, 2022; Drosos et al., 2019). Very few studies utilize regression analysis to empirically test the interrelationships among these constructs and their effects on profitability in a cohesive model. The lack of such a quantitative and integrative approach in the pharmaceutical context of Edo State underscores a

vital research gap that this study intends to address, by providing sector-specific, geographically relevant, and methodologically rigorous insights.

2.7 Theoretical Framework

This study adopted the service-profit chain theory as the most suitable theoretical framework. This theory offers a holistic and integrative perspective by explicitly linking internal service quality, customer satisfaction, loyalty, and financial outcomes in a sequential and causal chain (Heskett, Sasser, & Schlesinger, 2008). It is uniquely positioned to explain not only the psychological or resource-based underpinnings of satisfaction, but also how satisfaction acts as a mediating mechanism within organizational systems to influence profitability capturing both operational and strategic dynamics.

Unlike expectancy-disconfirmation theory, which is narrowly focused on cognitive comparisons between expectations and performance, the Service-Profit Chain contextualizes satisfaction within broader service delivery and employee performance environments, making it more adaptable to organizational-level profitability analysis. Similarly, while the resource-based view recognizes satisfaction as a strategic resource, it lacks the causal clarity and empirical traceability between satisfaction and financial metrics offered by the service-profit chain. Customer equity theory, although robust in linking satisfaction to long-term customer value, is largely financial and transactional, often underemphasizing the internal processes and service quality drivers of satisfaction. Therefore, the service-profit chain theory provides a superior theoretical lens by

connecting internal service management practices to external customer behavior and firm-level financial outcomes, aligning more directly with the multidimensional goals of this study.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

Research methodology is the specific procedures or techniques used to identify select, process and analyze information about a topic. This section outlines the adopted research design, population and sampling techniques, the operationalization and measurement of variables, the research instrument, validity and reliability of the research instrument, sources of data, method of data analysis and the model specification.

3.2 Research Design

The study will adopt the descriptive survey research design. The research design will be considered appropriate because the objectives of this study. This design is considered suitable as it will ascertain whether the independent variables (quality, values, expectations, customer loyalty, and repurchase intention) is responsible for any changes in the dependent variable (business profitability). No attempt will be made to manipulate the variables under study, rather deductions will be made on the basis of evidence collected.

3.3 The Population of the Study

The study population comprises two categories of respondents, including customers of pharmaceutical outlets who will provide responses relating to the explanatory variables of customer satisfaction (quality, values, expectations, loyalty, and repurchase intention), and

employees of pharmaceutical outlets who will provide responses relating to the dependent variable, business profitability.

The employee population was obtained from the management of the selected firms and summed to one hundred and fifty-four (154) employees. This group provides insight into internal business performance (profitability-related aspects). The breakdown of employees across the selected firms is presented in Table 3.1 below:

Table 3.1: Breakdown of Study Population

S/N	Pharmaceutical Outlets	No. of Employees
1	Airen Pharmacy	32
2	Health Plus Pharmacy	28
3	Medipharm Pharmacy	30
4	Fidson Healthcare Pharmacy	34
5	MegaCare Pharmacy	30
Total		154

Source: Author's Computation (2025)

These pharmacies were selected because of their status as major pharmaceutical outlets in the regions, their relatively high employee base, and proximity of their location of operation to the researcher which guarantees optimum data collection via the research instrument.

3.4 Sample Size and Sampling Techniques

This study adopted a census sampling technique, which involves collecting data from every member of the target population rather than selecting a subset. This approach is most appropriate when the population is relatively small, ensuring comprehensive data collection and minimizing sampling bias (Kumar, 2019). The total population for this study was 154 respondents, encompassing all individuals relevant to the research objectives. By engaging the entire population, the study aims to enhance the accuracy, reliability, and generalizability of its findings within the defined scope (Saunders, Lewis, & Thornhill, 2016). Census sampling also eliminates the risk of under-representation and ensures that each member of the population has a voice in the study's outcomes.

Additionally, the study will employ the simple random sampling technique, which ensures that every employee in the population has an equal chance of being selected. Consequently, a total of 154 questionnaires will be administered to employees of the selected pharmaceutical outlets.

To guarantee uniformity, since the customer population cannot be precisely enumerated, given the continuous inflow of customers in pharmaceutical outlets; therefore, an equal sample of 154 customers will be purposively selected across the five major pharmaceutical outlets. This dual sampling approach guarantees both the internal (employee) perspective on business profitability and the external (customer) perspective on satisfaction constructs.

3.5 Sources of Data Collection

The study will utilise the primary data as the primary source of information. The data will be collected through the administration of questionnaires to customers and employees of the selected pharmaceutical outlets.

3.6 Operationalization and Measurement of Variables

The study will examine the causal relationship between the dependent variable; business profitability and its explanatory variable customer satisfaction (quality, values, expectations, customer loyalty, and repurchase intention). The preliminary analysis of the data will be conducted using descriptive statistics. The questions will be in statement format and participants will respond by selecting from a set of predetermined answer options. The responses will be done using a 5-point Likert scale of “Strongly agree, Agree, Undecided, Disagree, and Strongly disagree”. The measurement and operationalization of variables is shown in Table 3.2 below;

Table 3.2 Operationalization of Variables

S/N	Variables	Operationalization	Measurement	Question Number
Personal Data				
1	Gender	Sex of the respondent (Male/Female)	Nominal scale	Q1
2	Age	Age bracket of respondent	Ordinal scale	Q2

3	Educational Qualification	Highest level of education attained	Ordinal scale	Q3
4	Years of Experience	Length of time the respondent has worked in the firm	Ordinal scale	Q4
5	Position/Designation	Current role occupied in the retail pharmaceutical firm	Nominal scale	Q5
Independent Variables (Customer Satisfaction Dimensions)				
6	Product Quality	Extent to which customers perceive drugs/products as authentic, safe, and reliable	Five-point Likert-type questions	Q6 – Q10
7	Perceived Value	Degree to which customers feel they receive value relative to the price paid	Five-point Likert-type questions	Q11 – Q15
8	Customer Expectations	Extent to which product/service delivery meets or exceeds prior expectations	Five-point Likert-type questions	Q16 – Q20
9	Customer Loyalty	Willingness of customers to remain with the firm and recommend it to others	Five-point Likert-type questions	Q21 – Q25

10	Repurchase Intention	Likelihood of customers to purchase products from the firm again	Five-point Likert-type questions	Q26 – Q30
Dependent Variable				
11	Business Profitability	Extent to which customer satisfaction outcomes translate to revenue and financial gains	Five-point Likert-type questions	Q31 – Q35

Source: Researcher's Computation (2025)

3.7 Research Instrument

Research instruments are measurement tools (which could be in form of a survey, test, or a questionnaire) designed to obtain data on a topic of interest from the research subject. For this study, the instrument that will be used for data collection is a carefully structured questionnaire.

The questionnaire will be in two sections, 'A' and 'B. Section A will consist of respondents' personal data while section B will comprise of questions on the independent variables and also questions regarding the dependent variable. All items will be based on the modified five-point Likert scale of Strongly agree (SA), Agree (A), Undecided (U), Disagree (D) and Strongly disagree (SD).

3.8 Validity of the Research Instrument

Validity expresses the degree to which a measurement measures what it purposes to measure (Bolarinwa, 2015). The validity of the instrument (questionnaires) will be affirmed by the researchers' supervisor who is an expert in the field of business administration. His opinion, suggestions and recommendations will be used to produce the final instrument.

3.9 Reliability of the Research Instrument

Reliability refers to the degree to which the results obtained by a measurement and procedure can be replicated. Lack of reliability may arise from divergence between observers or instruments of measurements such as a questionnaire or inability of the attribute being measured, which will invariably affect the validity of such questionnaire. The Cronbach's Alpha coefficient will be used to test the reliability of the research instrument (questionnaire). The reliability of data pertaining to the variables will then be designated through Cronbach's Alpha (α) coefficient which have a value between 0 and 1 (Bayram, 2004). A Cronbach's Alpha value greater or equal to 0.70 will be used to justify the reliability of the research instrument.

3.10 Model Specification

The study adopts a multiple linear regression to examine the effect of customer satisfaction dimensions on business profitability of pharmaceutical outlets.

The model is specified in its functional form thus;

$$BP=f(QUAL,VAL,EXP,LOY,REP)-----(1)$$

The above functional form, is specified econometrically thus;

$$BP_i = \beta_0 + \beta_1 QUAL_i + \beta_2 VAL_i + \beta_3 EXP_i + \beta_4 LOY_i + \beta_5 REP_i + \varepsilon_i \text{-----}(2)$$

Where

- BP_i = Business profitability score for firm/respondent i (aggregate of items Q31–Q35).
- $QUAL_i$ = Perceived product/service quality (Q6–Q10).
- VAL_i = Perceived value (price–value fairness) (Q11–Q15).
- EXP_i = Expectations met/exceeded (Q16–Q20).
- LOY_i = Customer loyalty (attitudinal/behavioral) (Q21–Q25).
- REP_i = Repurchase intention (Q26–Q30).
- β_0 = Intercept; $\beta_1 \dots \beta_5$ = partial effects;
- ε_i = stochastic error.

Expected signs (a priori): $\beta_1 > 0$, $\beta_2 > 0$, $\beta_3 > 0$, $\beta_4 > 0$, $\beta_5 > 0$ (higher quality, value, expectations fulfillment, loyalty, and repurchase intention are expected to increase business profitability).

3.11 Method of Data Analysis

Data collected or generated from the questionnaire will be analyzed using descriptive and inferential statistics. Descriptive statistics will be used to analyze and present the data collected in

a more meaningful way, which will allow for easy interpretation of the data. Furthermore, inferential statistics will be used via multiple linear regression analysis to test the various hypotheses of the research study with the Statistical Package for Social Sciences (SPSS) 22.0 All statistical significance test will be performed at 95% level of significance.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter presents a detailed analysis of the data obtained from participants through the field survey. A total of 154 questionnaires were each distributed to customers and employees of five selected pharmaceutical outlets in Ikpoba Okha and Oredo Local Government Areas of Edo State, Nigeria. Same number of these questionnaires were successfully retrieved, processed, and incorporated into the study, representing a response rate of 100%.

4.2 Demographic Analysis

In the demographic data, factors such as gender, age, marital status, educational qualification, and years of experience were thoroughly assessed.

Table 4.1: Demographic Profile of the Respondents

Demographic Variables	Categories	Frequency (n)	Percentage (%)
Gender	Male	91	59.1%
	Female	63	40.9%
	Total	154	100.0%
Age	Below 20	14	9.1%
	20–29	90	58.4%
	30–39	22	14.3%
	40–49	18	11.7%
	50 and above	10	6.5%
	Total	154	100.0%
Marital Status	Single	82	53.2%
	Married	58	37.7%
	Divorced	11	7.1%
	Widowed	3	1.9%
	Total	154	100.0%
Educational Qualification	FSLC	3	1.9%
	SSCE/WAEC	22	14.3%
	OND/NCE	42	27.3%
	HND/B.Sc	78	50.6%
	Postgraduate	9	5.8%
	Total	154	100.0%

Author's Computation (2025).

The demographic profile of respondents (n = 154) is outlined according to gender, age, marital status, and highest educational qualification. The data provide a comprehensive insight into the composition of the study sample.

Gender Distribution: The sample is composed of 91 males (59.1%) and 63 females (40.9%), indicating a male-dominant sample. This skew may reflect either a gender imbalance in the population being studied or a higher response rate among male participants.

Age Distribution: The 20–29 years age bracket dominates the sample, accounting for 58.4% of respondents. This suggests that the study population is largely comprised of young adults, possibly within their early career or post-educational phase. The 30–39 years and 40–49 years groups represent 14.3% and 11.7% respectively, while those below 20 years account for 9.1%, and respondents aged 50 and above form the smallest group at 6.5%.

Marital Status: More than half of the respondents are single (53.2%), which aligns with the youthful age distribution. Married individuals constitute 37.7%, while those divorced (7.1%) and widowed (1.9%) are in the minority. The marital status data are consistent with the age profile, reinforcing the observation that the majority are likely early-career individuals or students.

Educational Qualification: A notable 50.6% of respondents possess a Higher National Diploma (HND) or Bachelor of Science (B.Sc) degree, indicating a relatively well-educated sample. Additionally, 27.3% have an Ordinary National Diploma (OND) or National Certificate in

Education (NCE). The SSCE/WAEC holders account for 14.3%, while only 1.9% hold a First School Leaving Certificate (FSLC). A further 5.8% possess postgraduate qualifications, suggesting some advanced-level participation.

4.3 Descriptive Analysis

This section provides a comprehensive analysis of customer satisfaction and business profitability: a case study of pharmaceutical outlets in Edo State, Nigeria.

Table 4.2: Descriptive Analysis of Product Quality

S/N	ITEM	SA (5)f/(%)	A (4)f/(%)	U (3)f/(%)	D (2)f/(%)	SD (1)f/(%)	Mean (\bar{x})
1	The pharmaceutical products I buy are safe and reliable.	46 (29.9%)	60 (39.0%)	32 (20.8%)	9 (5.8%)	7 (4.5%)	3.84
2	The drugs meet my health needs effectively.	34 (22.1%)	82 (53.2%)	28 (18.2%)	4 (2.6%)	6 (3.9%)	3.87
3	The products are consistent in quality across purchases.	31 (20.1%)	64 (41.6%)	48 (31.2%)	8 (5.2%)	3 (1.9%)	3.73

4	Packaging of products is attractive and professional.	42 (27.3%)	73 (47.4%)	31 (20.1%)	4 (2.6%)	4 (2.6%)	3.94
5	The products have fewer defects compared to others.	44 (28.6%)	59 (38.3%)	41 (26.6%)	7 (4.5%)	3 (1.9%)	3.87
	Average	39.4 (25.6%)	67.6 (43.9%)	36 (23.4%)	6.4 (4.1%)	4.6 (3.0%)	3.85

SPSS Output, Version 22 – Field Survey (2025)

Table 4.2 presents respondents' perceptions of product quality among pharmaceutical items. A majority agreed that the products were safe and reliable, with 60 respondents (39.0%) agreeing and 46 (29.9%) strongly agreeing ($\bar{x} = 3.84$). Similarly, 82 (53.2%) agreed and 34 (22.1%) strongly agreed that the drugs met their health needs effectively ($\bar{x} = 3.87$). Consistency in quality across purchases received positive feedback from 64 (41.6%) and 31 (20.1%) respondents who agreed and strongly agreed, respectively ($\bar{x} = 3.73$). Packaging was rated positively by 73 (47.4%) agreeing and 42 (27.3%) strongly agreeing ($\bar{x} = 3.94$), while fewer defects compared to others was confirmed by 59 (38.3%) and 44 (28.6%) respondents ($\bar{x} = 3.87$).

Overall, the mean scores (ranging between 3.73 and 3.94) and high cumulative agreement levels (averaging 69.5%) indicate that respondents generally perceive pharmaceutical products as high

in quality, effective, and professionally presented. The low percentages of disagreement (average 4.1%) and strong disagreement (3.0%) further suggest that negative perceptions of product quality were minimal.

Table 4.3: Descriptive Analysis of Perceived Value

S/N	ITEM	SA (5)f/(%)	A (4)f/(%)	U (3)f/(%)	D (2)f/(%)	SD (1)f/(%)	Mean (\bar{x})
6	The products are worth the price paid.	47 (30.5%)	67 (43.5%)	32 (20.8%)	6 (3.9%)	2 (1.3%)	3.98
7	The benefits I get from the products justify the cost.	61 (39.6%)	56 (36.4%)	25 (16.2%)	5 (3.2%)	7 (4.5%)	4.04
8	Prices are competitive compared to other pharmacies.	43 (27.9%)	63 (40.9%)	31 (20.1%)	11 (7.1%)	6 (3.9%)	3.81
9	I feel satisfied with the value of services received.	43 (27.9%)	66 (42.9%)	35 (22.7%)	5 (3.2%)	5 (3.2%)	3.89
10	Discounts and promotions increase the value of purchase.	63 (40.9%)	51 (33.1%)	31 (20.1%)	5 (3.2%)	4 (2.6%)	4.06
	Average	51.4 (33.4%)	60.6 (39.4%)	30.8 (20.0%)	6.4 (4.1%)	4.8 (3.1%)	3.96

SPSS Output, Version 22 – Field Survey (2025)

Table 4.3 presents respondents' perceptions of perceived value in relation to pharmaceutical products. A significant proportion of respondents agreed or strongly agreed that the products were worth the price paid (67 or 43.5%, and 47 or 30.5% respectively; $\bar{x} = 3.98$). Regarding whether the benefits justify the cost, 56 (36.4%) agreed and 61 (39.6%) strongly agreed ($\bar{x} = 4.04$), showing a strong belief in value-for-money. Similarly, 43 (27.9%) strongly agreed and 63 (40.9%) agreed that the prices were competitive ($\bar{x} = 3.81$). Satisfaction with the value of services was affirmed by 66 (42.9%) agreeing and 43 (27.9%) strongly agreeing ($\bar{x} = 3.89$). Lastly, 63 respondents (40.9%) strongly agreed and 51 (33.1%) agreed that discounts and promotions enhanced value ($\bar{x} = 4.06$).

On average, the table reveals high levels of perceived value with a mean of 3.96, indicating that most respondents positively evaluated the pricing and value of pharmaceutical products and services. Agreement levels were notably high, with an average of 60.6 respondents (39.4%) agreeing and 51.4 respondents (33.4%) strongly agreeing across items. Neutral responses were moderate at 30.8 (20.0%), while disagreement levels remained low, averaging 6.4 (4.1%) for “Disagree” and 4.8 (3.1%) for “Strongly Disagree.” This suggests a broad consensus among customers that they receive satisfactory value relative to cost and market alternatives.

Table 4.4: Descriptive Analysis of Customer Expectations

S/N	ITEM	SA (5)f/(%)	A (4)f/(%)	U (3)f/(%)	D (2)f/(%)	SD (1)f/(%)	Mean (\bar{x})
11	The pharmacy meets my expectations in product availability.	46 (29.9%)	75 (48.7%)	21 (13.6%)	9 (5.8%)	3 (1.9%)	3.99
12	My expectations for customer service are always met.	44 (28.6%)	75 (48.7%)	23 (14.9%)	10 (6.5%)	2 (1.3%)	3.97
13	The pharmacy delivers services as promised.	72 (46.8%)	56 (36.4%)	19 (12.3%)	6 (3.9%)	1 (0.6%)	4.25
14	My expectations for timely delivery are fulfilled.	43 (27.9%)	71 (46.1%)	35 (22.7%)	5 (3.2%)	0 (0.0%)	3.99
15	The services provided are consistent with what I expect.	44 (28.6%)	66 (42.9%)	34 (22.1%)	7 (4.5%)	3 (1.9%)	3.92
	Average	49.8 (32.6%)	68.6 (44.6%)	26.4 (17.1%)	7.4 (4.8%)	1.8 (1.2%)	4.02

Field Survey (2025)

Table 4.4 presents respondents' evaluations of how well the pharmacy meets their expectations across several service dimensions. A large majority agreed or strongly agreed that the pharmacy

met their expectations in terms of product availability (75 or 48.7%; 46 or 29.9%), customer service (75 or 48.7%; 44 or 28.6%), and service consistency (66 or 42.9%; 44 or 28.6%), with mean scores ranging from 3.92 to 3.99. The highest mean score (4.25) was recorded for the statement, "The pharmacy delivers services as promised," supported by 72 (46.8%) strongly agreeing and 56 (36.4%) agreeing.

On average, 68.6 respondents (44.6%) agreed, and 49.8 respondents (32.6%) strongly agreed with all statements, indicating high levels of satisfaction with how expectations are managed. Neutral responses were moderate, averaging 26.4 (17.1%), while disagreement levels remained minimal: 7.4 (4.8%) for "Disagree" and 1.8 (1.2%) for "Strongly Disagree." The average mean score of 4.02 confirms that most customers perceive the pharmacy as consistently delivering on expectations, particularly regarding service reliability, responsiveness, and timely product delivery.

Table 4.5: Descriptive Analysis of Customer Loyalty

S/ N	ITEM	SA (5)f/(%)	A (4)f/(%)	U (3)f/(%)	D (2)f/(%)	SD (1)f/(%)	Mean (\bar{x})
16	I prefer this pharmacy to others in the area.	66 (42.9%)	53 (34.4%)	32 (20.8%)	2 (1.3%)	1 (0.6%)	4.18
17	I will continue to choose this pharmacy in the future.	47 (30.5%)	59 (38.3%)	41 (26.6%)	6 (3.9%)	1 (0.6%)	3.94

18	I recommend this pharmacy to family and friends.	51 (33.1%)	58 (37.7%)	37 (24.0%)	5 (3.2%)	3 (1.9%)	3.96
19	I consider myself a loyal customer of this pharmacy.	61 (39.6%)	56 (36.4%)	26 (16.9%)	8 (5.2%)	3 (1.9%)	4.07
20	I rarely switch to competitors for pharmaceutical needs.	39 (25.3%)	66 (42.9%)	42 (27.3%)	5 (3.2%)	2 (1.3%)	3.87
	Average	52.8 (34.3%)	58.4 (37.8%)	35.6 (23.1%)	5.2 (3.4%)	2 (1.3%)	4.00

SPSS Output, Version 22 – Field Survey (2025)

Table 4.5 presents an analysis of customer loyalty indicators. A strong majority of respondents indicated they prefer the pharmacy to others, with 66 (42.9%) strongly agreeing and 53 (34.4%) agreeing ($\bar{x} = 4.18$). Similarly, continued patronage in the future was affirmed by 59 (38.3%) agreeing and 47 (30.5%) strongly agreeing ($\bar{x} = 3.94$). Recommendations to others were supported by 58 (37.7%) agreeing and 51 (33.1%) strongly agreeing ($\bar{x} = 3.96$). A large portion also considered themselves loyal customers ($\bar{x} = 4.07$), while 66 (42.9%) agreed and 39 (25.3%) strongly agreed that they rarely switch to competitors ($\bar{x} = 3.87$).

On average, 58.4 respondents (37.8%) agreed and 52.8 (34.3%) strongly agreed across all items, resulting in a solid mean score of 4.00. Neutral responses were moderate at 35.6 (23.1%), while disagreement remained minimal (Disagree: 5.2 respondents (3.4%); Strongly Disagree: 2 respondents (1.3%)). These findings suggest a generally high level of customer loyalty, evidenced by strong intention to repurchase, recommend the pharmacy, and avoid competitors; all essential indicators of brand attachment and retention.

Table 4.6: Descriptive Analysis of Repurchase Intention

S/N	ITEM	SA (5)f/(%)	A (4)f/(%)	U (3)f/(%)	D (2)f/(%)	SD (1)f/(%)	Mean (\bar{x})
21	I intend to continue purchasing from this pharmacy.	46 (29.9%)	68 (44.2%)	34 (22.1%)	4 (2.6%)	2 (1.3%)	3.98
22	I will repurchase even if prices increase slightly.	63 (40.9%)	52 (33.8%)	31 (20.1%)	4 (2.6%)	4 (2.6%)	4.08
23	I prefer buying all my medications here.	55 (35.7%)	70 (45.5%)	24 (15.6%)	2 (1.3%)	3 (1.9%)	4.13

24	I have plans to repurchase from this pharmacy soon.	54 (35.1%)	66 (42.9%)	27 (17.5%)	5 (3.2%)	2 (1.3%)	4.07
25	I would repurchase from this pharmacy before trying new ones.	68 (44.2%)	51 (33.1%)	25 (16.2%)	7 (4.5%)	3 (1.9%)	4.13
	Average	57.2 (37.2%)	61.4 (39.8%)	28.2 (18.3%)	4.4 (2.9%)	2.8 (1.8%)	4.08

Source: SPSS Output, Version 22 – Field Survey (2025)

Table 4.6 reveals a strong inclination among respondents to repurchase from the pharmacy. The highest agreement was recorded for the statements “I prefer buying all my medications here” and “I would repurchase from this pharmacy before trying new ones,” with 70 (45.5%) and 68 (44.2%) respondents strongly agreeing respectively, each item achieving a mean of 4.13. The intention to repurchase despite slight price increases also received high ratings ($\bar{x} = 4.08$), with 63 (40.9%) strongly agreeing and 52 (33.8%) agreeing. Across all five items, agreement and strong agreement levels were consistently above 70% for each item.

On average, 61.4 respondents (39.8%) agreed and 57.2 respondents (37.2%) strongly agreed, reflecting a highly favorable perception of continued patronage. Neutral responses averaged 28.2

(18.3%), while disagreement levels were notably low—4.4 (2.9%) for “Disagree” and 2.8 (1.8%) for “Strongly Disagree.” The overall mean score of 4.08 indicates a solid and widespread customer commitment to repurchasing, highlighting the effectiveness of the pharmacy's service delivery, value proposition, and customer satisfaction strategies in fostering long-term loyalty.

Table 4.7: Descriptive Analysis of Business Profitability (Employee Perspective)

S/N	ITEM	SA (5)f/(%)	A (4)f/(%)	U (3)f/(%)	D (2)f/(%)	SD (1)f/(%)	Mean (\bar{x})
26	The company's profitability has improved over the past year.	54 (35.1%)	59 (38.3%)	36 (23.4%)	3 (1.9%)	2 (1.3%)	4.04
27	The pharmacy has experienced steady growth in revenue.	49 (31.8%)	59 (38.3%)	41 (26.6%)	2 (1.3%)	3 (1.9%)	3.97
28	The firm's market share in the local pharmaceutical sector is increasing.	61 (39.6%)	52 (33.8%)	36 (23.4%)	4 (2.6%)	1 (0.6%)	4.09

29	The customer base of the pharmacy has grown significantly.	43 (27.9%)	68 (44.2%)	40 (26.0%)	1 (0.6%)	2 (1.3%)	3.96
30	The pharmacy is well-positioned competitively in the market.	51 (33.1%)	61 (39.6%)	39 (25.3%)	2 (1.3%)	1 (0.6%)	4.03
	Average	51.6 (33.5%)	59.8 (38.0%)	38.4 (24.9%)	2.4 (1.5%)	1.8 (1.1%)	4.02

Source: SPSS Output, Version 22 – Field Survey (2025)

Table 4.7 captures employee perspectives on business profitability. A strong majority agreed or strongly agreed that the company’s profitability has improved (59 or 38.3%; 54 or 35.1%), and that revenue has grown steadily (59 or 38.3%; 49 or 31.8%), yielding mean scores of 4.04 and 3.97, respectively. Similarly, 61 (39.6%) strongly agreed and 52 (33.8%) agreed that market share is increasing ($\bar{x} = 4.09$). Growth in customer base was affirmed by 68 (44.2%) agreeing and 43 (27.9%) strongly agreeing ($\bar{x} = 3.96$), while competitive positioning was also perceived positively with a mean of 4.03.

On average, 59.8 respondents (38.0%) agreed and 51.6 (33.5%) strongly agreed across all items. Neutral responses were moderate at 38.4 (24.9%), while disagreement levels were low—2.4

(1.5%) for “Disagree” and 1.8 (1.1%) for “Strongly Disagree.” The overall mean of 4.02 reflects a generally optimistic assessment of the pharmacy's financial and market performance, suggesting that employees perceive sustained profitability, competitive strength, and a growing customer base as indicators of successful business operations.

4.4 Correlation Analysis of Customer Satisfaction and Business Profitability: A Case Study of Pharmaceutical outlets in Edo State, Nigeria.

The results from the correlation analysis provide insights into the character and orientation of the connection between the dependent and independent variables. While the correlation coefficient doesn't denote a direct functional dependence, it serves as a preliminary indicator of the strength and trend of this relationship. The details of these findings will be elaborated upon in the subsequent discussion.

Table 4.8: Correlation Results of Customer Satisfaction and Business Profitability: A Case Study of Pharmaceutical outlets in Edo State, Nigeria.

Correlations

		BP	QUAL	VAL	EXP	LOY	REP
BP	Pearson Correlation	1					
	Sig. (2-tailed)						
	N	154					
QUAL	Pearson Correlation	.260**	1				
	Sig. (2-tailed)	.001					
	N	154	154				
VAL	Pearson Correlation	.309**	.245**	1			
	Sig. (2-tailed)	.000	.002				
	N	154	154	154			
EXP	Pearson Correlation	.330**	.124	.370**	1		
	Sig. (2-tailed)	.000	.126	.000			
	N	154	154	154	154		
LOY	Pearson Correlation	.494**	.261**	.262**	.394**	1	
	Sig. (2-tailed)	.000	.001	.001	.000		
	N	154	154	154	154	154	
REP	Pearson Correlation	.453**	.145	.404**	.428**	.529**	1
	Sig. (2-tailed)	.000	.072	.000	.000	.000	
	N	154	154	154	154	154	154

** . Correlation is significant at the 0.05 level

Source: Author's Estimation from SPSS 22, 2025.

Table 4.8 presents the Pearson correlation results examining the relationship between customer satisfaction variables and business profitability among pharmaceutical outlets in Edo State, Nigeria. The findings reveal that all customer satisfaction indicators—product quality ($r = .260$, $p < 0.01$), perceived value ($r = .309$, $p < 0.01$), customer expectations ($r = .330$, $p < 0.01$), customer loyalty ($r = .494$, $p < 0.01$), and repurchase intention ($r = .453$, $p < 0.01$)—are significantly and positively correlated with business profitability (BP). Notably, customer loyalty exhibits the strongest association ($r = .494$), followed by repurchase intention ($r = .453$), indicating that firms benefit more when customers remain committed and exhibit repeat purchase behaviors. These results suggest that improvements in customer satisfaction dimensions are likely to enhance profitability, affirming the strategic importance of customer-centric practices in sustaining competitive advantage and financial growth within the pharmaceutical sector.

4.5 Diagnostics Test

Table 4.9 Collinearity statistics

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	QUAL	.895	1.117
	VAL	.758	1.319
	EXP	.736	1.359
	LOY	.655	1.528
	REP	.616	1.623

SPSS output, Version 22

Table 4.9 presents the results of the collinearity diagnostics used to assess multicollinearity among the independent variables in the regression model. All Variance Inflation Factor (VIF) values range from 1.117 to 1.623, well below the critical threshold of 10, and all tolerance values are above 0.1, indicating no serious multicollinearity issues. The highest VIF is observed for Repurchase Intention (1.623) and the lowest for Product Quality (1.117), suggesting that none of the predictors are excessively correlated. These diagnostics confirm that the model is statistically sound, and the estimates of the regression coefficients are reliable and interpretable.

4.6 Test of Hypotheses

The research hypotheses were tested utilising regression analysis in order to achieve the current study's objectives. The hypotheses were evaluated with an Alpha level of significance of 0.05 (Decision rule: computed level of significance <0.05 , reject null hypothesis; computed level of significance >0.05 , accept null hypothesis).

Table 4.10a Model Summary of Customer Satisfaction and Business Profitability: A Case Study of Pharmaceutical outlets in Edo State, Nigeria

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.571 ^a	.326	.303	.50715	.326	14.305	5	148	.000	1.904

a. Predictors: (Constant), REP, QUAL, EXP, VAL, LOY

b. Dependent Variable: BP

Source: Statistical Package for social Sciences v.22

Table 4.10a presents the model summary of the regression analysis examining the effect of customer satisfaction dimensions on business profitability among pharmaceutical outlets in Edo State, Nigeria. The model yielded an R value of 0.571, indicating a moderate positive correlation between the predictors (REP, QUAL, EXP, VAL, LOY) and business profitability (BP). The R Square value of 0.326 shows that approximately 32.6% of the variance in business profitability is explained by the combined customer satisfaction variables. After adjusting for the number of predictors, the Adjusted R Square is 0.303, confirming the model's explanatory power while accounting for potential overfitting. The F-statistic ($F = 14.305$, $p < 0.001$) is statistically significant, indicating that the model provides a good fit to the data. Lastly, the Durbin-Watson

statistic of 1.904 suggests no autocorrelation in the residuals, thereby affirming the reliability of the regression results.

Table 4.10b Analysis of Variance (ANOVA) of Customer Satisfaction and Business Profitability: A Case Study of Pharmaceutical outlets in Edo State, Nigeria

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	18.396	5	3.679	14.305	.000 ^b
Residual	38.066	148	.257		
Total	56.462	153			

a. Dependent Variable: BP

b. Predictors: (Constant), REP, QUAL, EXP, VAL, LOY

Source: Statistical Package for social Sciences v.22

Table 4.10b presents the ANOVA results assessing the overall significance of the regression model linking customer satisfaction indicators to business profitability among pharmaceutical outlets in Edo State. The F-statistic of 14.305 with a significance value of $p = .000$ indicates that the model is statistically significant at the 1% level. This means that the combined independent variables—Repurchase Intention (REP), Product Quality (QUAL), Customer Expectations (EXP), Perceived Value (VAL), and Customer Loyalty (LOY)—significantly predict business profitability (BP). The regression sum of squares (18.396) compared to the residual sum of squares (38.066) further

confirms that a substantial portion of the variance in profitability is explained by the model. Therefore, the overall regression is a good fit and the independent variables jointly contribute meaningfully to the prediction of business profitability.

Table 4.10c Regression Output of Customer Satisfaction and Business Profitability: A Case Study of Pharmaceutical outlets in Edo State, Nigeria

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.851	.402		2.114	.036
	QUAL	.117	.069	.121	1.695	.092
	VAL	.082	.072	.088	1.141	.256
	EXP	.077	.081	.075	.948	.344
	LOY	.308	.086	.299	3.581	.000
	REP	.209	.086	.210	2.438	.016

a. Dependent Variable: BP

Source: Statistical Package for social Sciences v.22

Table 4.10c presents the regression coefficients estimating the influence of customer satisfaction components on business profitability among pharmaceutical outlets in Edo State. The regression

model reveals that Customer Loyalty (LOY) and Repurchase Intention (REP) have statistically significant positive effects on business profitability, with coefficients $B = 0.308$, $p < .001$ and $B = 0.209$, $p = .016$ respectively. These variables also have the highest standardized beta values ($\beta = 0.299$ and $\beta = 0.210$), indicating they are the strongest predictors in the model. Although Product Quality (QUAL) has a positive coefficient ($B = 0.117$) and a near-significant p-value ($p = .092$), it does not meet the conventional 0.05 threshold. Similarly, Perceived Value (VAL) and Customer Expectations (EXP) have non-significant effects ($p = .256$ and $p = .344$, respectively), suggesting their contributions to profitability are not statistically supported within this model. The constant term ($B = 0.851$, $p = .036$) is also significant, indicating a positive baseline level of profitability when all predictors are held constant. Overall, the findings underscore the critical roles of customer loyalty and repurchase behavior in driving business profitability.

Hypothesis i

Null Hypothesis (H₀₁): Product and service quality has no significant influence on business profitability in pharmaceutical outlets in Nigeria.

The regression result shows that Product Quality (QUAL) has a p-value of 0.092, which is greater than the 0.05 significance level. Based on the decision rule, we fail to reject the null hypothesis. Therefore, we conclude that product and service quality does not have a statistically significant influence on business profitability in pharmaceutical outlets in Nigeria.

Hypothesis ii

Null Hypothesis (H₀₂): Perceived values do not significantly affect business profitability in pharmaceutical outlets in Nigeria.

The p-value for Perceived Value (VAL) is 0.256, which is well above the 0.05 threshold. Hence, we accept the null hypothesis. This implies that perceived value does not significantly affect business profitability in pharmaceutical outlets within the context of the study.

Hypothesis iii

Null Hypothesis (H₀₄): Customer expectations have no significant relationship with business profitability in pharmaceutical outlets in Nigeria.

The p-value for Customer Expectations (EXP) is 0.344, which exceeds 0.05. Thus, we accept the null hypothesis, indicating that customer expectations do not have a significant relationship with business profitability in pharmaceutical outlets in Nigeria.

Hypothesis iv

Null Hypothesis (H₀₄): Customer loyalty does not significantly contribute to business profitability in pharmaceutical outlets in Nigeria.

The p-value for Customer Loyalty (LOY) is 0.000, which is less than 0.05. Therefore, we reject the null hypothesis and accept the alternative. This means that customer loyalty significantly contributes to business profitability in pharmaceutical outlets in Nigeria.

Hypothesis v

Null Hypothesis (H₀): Customer repurchase intention has no significant impact on business profitability in pharmaceutical outlets in Nigeria.

With a p-value of 0.016 for Repurchase Intention (REP), which is less than the 0.05 significance level, we reject the null hypothesis. It follows that customer repurchase intention has a significant impact on business profitability in pharmaceutical outlets in Nigeria.

4.7 Discussion of Findings

4.7.1. Product and Service Quality and Business Profitability

The regression results revealed that product and service quality (QUAL) had a positive but statistically insignificant influence on business profitability ($B = 0.117$, $p = 0.092$). This indicates that, although product quality contributes positively, its effect is not strong enough to be considered significant within this study's context. This finding contrasts with the broader literature, particularly Joseph and Abdul (2025) and Olugbenga (2024), who both reported a strong and statistically significant relationship between customer satisfaction—often driven by product/service quality—and business performance. Similarly, Obafemi (2024) found that

satisfaction, which includes perceptions of quality, accounted for 63% of profitability variance in the brewery industry. However, the present study's outcome may align more closely with Goyit and Nmadu (2016), who observed no significant relationship between service quality and profitability in Nigerian banks, suggesting that perceived quality may not directly translate into financial performance unless combined with other strategic elements such as trust, loyalty, or brand differentiation.

4.7.2. Perceived Value and Business Profitability

The results showed that perceived value (VAL) did not significantly influence business profitability ($B = 0.082$, $p = 0.256$), despite its positive coefficient. This finding implies that customers' perceptions of receiving value for money may not be a strong standalone driver of profitability in the pharmaceutical context studied. This is somewhat in contrast with the findings of Kumar and Thippeswamy (2023) and Mittal et al. (2023), who emphasized perceived value as a critical element linking satisfaction to firm performance metrics such as revenue and market share. Additionally, Tina and Alaba (2024) highlighted the importance of value-enhancing post-sales strategies in promoting retention and operational success among SMEs. The present finding may reflect context-specific dynamics in the pharmaceutical sector, where regulated pricing and low differentiation might reduce the perceived impact of value on profitability, supporting Oteino and Oti (2022) who found that brand trust, rather than perceived value, was the stronger predictor of repurchase in low-involvement categories.

4.7.3. Customer Expectations and Business Profitability

Customer expectations (EXP) were also found to have an insignificant effect on business profitability ($B = 0.077$, $p = 0.344$), indicating that simply meeting or exceeding expectations does not directly drive financial gains in the studied pharmaceutical outlets. This finding diverges from studies such as Obafemi (2024) and Zakari and Ibrahim (2021), who found that aligning operations with customer expectations significantly improves profitability and service outcomes in both manufacturing and SME contexts. It may, however, be partially supported by Olugbenga (2024), who noted that although service responsiveness is appreciated by customers, it had a weak impact on organizational growth in the telecoms sector unless integrated strategically. The implication here is that expectation management alone may not yield profitability unless paired with strategic engagement, value enhancement, or loyalty-building mechanisms that reinforce long-term customer behavior.

4.7.4. Customer Loyalty and Business Profitability

Customer loyalty (LOY) demonstrated a strong and statistically significant influence on business profitability ($B = 0.308$, $p = 0.000$), making it the most influential predictor among the tested variables. This finding strongly aligns with the empirical evidence presented by Akanbi and Obafemi (2024) and Olayinka et al. (2024), who documented robust positive relationships between customer loyalty and organizational performance across multiple sectors, including publishing and manufacturing. Similarly, Eshiett and Eshiett (2021), and Nosike and Egbunike (2021) affirmed

that emotional and behavioral loyalty directly affect repeat patronage and sales performance. These studies support the notion that loyal customers are strategic assets who drive recurring revenue, reduce acquisition costs, and enhance brand equity—findings that the current study corroborates within the pharmaceutical retail context. This further validates the Service-Profit Chain theory, as proposed by Abusomwan and Agbonkhese (2023), where loyalty serves as a key intermediary linking internal capabilities to external financial outcomes.

4.7.5. Repurchase Intention and Business Profitability

The regression output revealed that repurchase intention (REP) had a statistically significant positive impact on business profitability ($B = 0.209$, $p = 0.016$), confirming that customers' intent to buy again contributes meaningfully to the financial performance of pharmaceutical outlets. This outcome aligns with findings from Mittal et al. (2023) and Kumar and Thippeswamy (2023), who both emphasized repurchase behavior as a critical performance driver. It is also consistent with Nosike (2022), who demonstrated that repurchase intentions are strongly influenced by loyalty and directly enhance sales outcomes. Furthermore, Pooser and Browne (2018) emphasized the cost-efficiency and profitability gains associated with retaining repeat customers, particularly in low-margin sectors like insurance—an insight applicable to pharmaceutical retailing. The significant role of repurchase intention in the present study reinforces the idea that long-term financial health is tightly linked to behavioral loyalty and customer retention, especially in competitive, commoditized industries.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter provides a comprehensive summary of the research findings, draws relevant conclusions based on the analysis, and presents well-informed recommendations derived from the empirical results. Furthermore, the study's contribution to existing academic and practical knowledge is discussed, and areas for further research are proposed to guide future scholarly inquiry.

5.2 Summary Of Findings

The primary objective of this study was to investigate the relationship between customer satisfaction and business profitability in selected pharmaceutical outlets. Customer satisfaction was operationalized through five key constructs: product and service quality, perceived value, customer expectations, customer loyalty, and repurchase intention. A structured questionnaire was administered to a total of 154 respondents, comprising both customers and employees. The collected data were analyzed using descriptive statistics (frequency, mean, and percentage) and inferential statistics, particularly multiple regression analysis.

The findings of the study are summarized as follows:

i. Product and service quality (QUAL) was positively related to business profitability, though the effect was statistically insignificant ($B = 0.117$, $p = 0.092$). This suggests that quality improvements alone may not directly translate into increased profitability in the pharmaceutical sector. This finding helps to close the gap identified in previous studies such as Joseph and Abdul (2025), Zakari and Ibrahim (2021), and Olayinka et al. (2024), which examined customer satisfaction and performance in other sectors but paid little attention to the pharmaceutical industry. By providing evidence from pharmaceutical outlets, this study shows that while quality contributes positively, its effect may not be as strong as expected. This adds new insight to existing research that had focused mainly on other industries and broader performance metrics rather than business profitability.

ii. Perceived value (VAL) also exhibited a positive but statistically insignificant relationship with business profitability ($B = 0.082$, $p = 0.256$). This implies that customer-perceived worth may not immediately lead to measurable financial outcomes. This aligns with the earlier research gap that called for more empirical testing of perceived value within profitability models. The result adds to existing literature by providing real data and analysis, rather than relying on theoretical assumptions about how perceived value influences profitability.

iii. Customer expectations (EXP) showed a positive but statistically insignificant impact on profitability ($B = 0.077$, $p = 0.344$). This suggests that meeting or exceeding expectations does not necessarily guarantee immediate financial gains for pharmaceutical outlets. This finding

contributes to the identified gap concerning the limited number of quantitative studies that explored customer expectations as part of profitability models. The study provides a clearer understanding of how expectations function within the pharmaceutical context in Edo State, adding depth to what has been a largely underexplored area.

iv. Customer loyalty (LOY) emerged as a strong and statistically significant determinant of business profitability ($B = 0.308$, $p = 0.000$). This underscores the critical role of customer retention and loyalty in enhancing firm performance. This outcome helps to fill the research gap where previous works underestimated or ignored the role of loyalty as a driver of profitability. By establishing its strong positive effect, the study highlights the importance of retaining customers as a key strategy for long-term success in the pharmaceutical sector.

v. Repurchase intention (REP) also demonstrated a significant and positive effect on profitability ($B = 0.209$, $p = 0.016$), affirming the importance of repeat patronage in sustaining financial growth. This finding fills the gap identified in prior research where repurchase intention was rarely included in integrated models examining profitability. The study provides fresh empirical evidence that repeat purchases play a major role in strengthening business performance and ensuring customer retention.

5.3 Conclusion

The study set out to examine the extent to which customer satisfaction influences business profitability in pharmaceutical outlets. The empirical findings revealed a complex relationship: while constructs like product and service quality, perceived value, and customer expectations were positively associated with profitability, their effects were not statistically significant. Conversely, customer loyalty and repurchase intention emerged as significant and impactful predictors. This suggests that pharmaceutical outlets may benefit more from cultivating long-term relationships with their customers than from focusing exclusively on enhancing transactional satisfaction elements. Therefore, the study concludes that relational satisfaction, exemplified by loyalty and continued patronage, is more closely aligned with business profitability than isolated service delivery attributes. These findings underscore the need for pharmaceutical outlets to invest strategically in customer retention and loyalty-building mechanisms as a means of securing sustainable financial performance.

5.4 Recommendations

Based on the findings and conclusion of the study, the following recommendations are proposed:

- i. Pharmaceutical outlets should prioritize long-term customer relationship management strategies to enhance loyalty, which has been shown to have a direct and significant impact on profitability.

- ii. Marketing and sales strategies should emphasize initiatives that increase the likelihood of repurchase, such as loyalty rewards, after-sales support, and personalized customer engagement.
- iii. While product and service quality are important, firms should integrate these with loyalty-building programs to translate quality into financial performance.
- iv. Companies should invest in understanding the behavioral drivers of customer retention beyond mere satisfaction to better tailor their customer experience strategies.
- v. Training programs for employees should focus on customer relationship management and service continuity to reinforce the firm's commitment to loyalty and repeated patronage.

5.5 Contribution to Knowledge

This study advances scholarly understanding of the relationship between customer satisfaction and profitability in the context of the pharmaceutical industry. It contributes empirical evidence suggesting that loyalty-related constructs have a more pronounced impact on profitability than traditional satisfaction metrics. In doing so, the study challenges prevailing models that emphasize quality and perceived value as direct financial drivers. The results support emerging perspectives in customer relationship management literature that prioritize long-term engagement over transactional quality. Furthermore, the study adds to the limited body of research focusing on emerging economies, offering context-specific insights relevant to pharmaceutical outlets operating in competitive and regulatory-constrained environments.

5.6 Suggestions for Further Studies

Future research should explore the mediating or moderating variables that may explain the weak statistical significance of product quality and perceived value on profitability. Variables such as brand trust, market competition, regulatory environment, and customer demographics may provide further insight into the dynamics influencing profitability in pharmaceutical outlets. A structural equation modeling (SEM) approach may also be employed in future studies to examine the interrelationships among satisfaction constructs in a more complex model.

Additionally, comparative studies across different sectors (e.g., healthcare services, retail pharmaceuticals, or diagnostics) would be beneficial to understand if the findings in this study are industry-specific or generalizable. Cross-cultural studies may also reveal variations in the determinants of profitability, especially between developed and developing economies. This would aid multinational pharmaceutical outlets in tailoring customer satisfaction strategies in accordance with regional market dynamics.

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Appendix

NEW FILE.

DATASET NAME DataSet1 WINDOW=FRONT.

COMPUTE QUAL=MEAN (QUAL1,QUAL2,QUAL3,QUAL4,QUAL5).

EXECUTE.

COMPUTE VAL=MEAN (VAL1,VAL2,VAL3,VAL4,VAL5).

EXECUTE.

COMPUTE EXP=MEAN (EXP1,EXP2,EXP3,EXP4,EXP5).

EXECUTE.

COMPUTE LOY=MEAN (LOY1,LOY2,LOY3,LOY4,LOY5).

EXECUTE.

COMPUTE REP=MEAN (REP1,REP2,REP3,REP4,REP5).

EXECUTE.

COMPUTE BP=MEAN (BP1,BP2,BP3,BP4,BP5).

EXECUTE.

FREQUENCIES VARIABLES=QUAL1 QUAL2 QUAL3 QUAL4 QUAL5 VAL1 VAL2

VAL3 VAL4 VAL5 EXP1 EXP2 EXP3 EXP4 EXP5 LOY1 LOY2 LOY3 LOY4 LOY5 REP1

REP2 REP3 REP4 REP5 BP1 BP2 BP3 BP4 BP5

/ORDER=ANALYSIS.

Frequencies

Notes

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Frequency Table

The pharmaceutical products I buy are safe and reliable.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	7	4.5	4.5	4.5
Disagree	9	5.8	5.8	10.4
Neutral	32	20.8	20.8	31.2
Agree	60	39.0	39.0	70.1
Strongly Agree	46	29.9	29.9	100.0
Total	154	100.0	100.0	

The drugs meet my health needs effectively.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	6	3.9	3.9	3.9
	Disagree	4	2.6	2.6	6.5
	Neutral	28	18.2	18.2	24.7
	Agree	82	53.2	53.2	77.9
	Strongly Agree	34	22.1	22.1	100.0
	Total	154	100.0	100.0	

The products are consistent in quality across purchases.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	3	1.9	1.9	1.9
	Disagree	8	5.2	5.2	7.1
	Neutral	48	31.2	31.2	38.3
	Agree	64	41.6	41.6	79.9
	Strongly Agree	31	20.1	20.1	100.0
	Total	154	100.0	100.0	

Packaging of products is attractive and professional.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.6	2.6	2.6
	Disagree	4	2.6	2.6	5.2
	Neutral	31	20.1	20.1	25.3
	Agree	73	47.4	47.4	72.7
	Strongly Agree	42	27.3	27.3	100.0
	Total	154	100.0	100.0	

The products have fewer defects compared to others.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	3	1.9	1.9	1.9
	Disagree	7	4.5	4.5	6.5
	Neutral	41	26.6	26.6	33.1
	Agree	59	38.3	38.3	71.4
	Strongly Agree	44	28.6	28.6	100.0
	Total	154	100.0	100.0	

The products are worth the price paid.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	2	1.3	1.3	1.3
	Disagree	6	3.9	3.9	5.2
	Neutral	32	20.8	20.8	26.0
	Agree	67	43.5	43.5	69.5
	Strongly Agree	47	30.5	30.5	100.0
	Total	154	100.0	100.0	

The benefits I get from the products justify the cost.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	7	4.5	4.5	4.5
	Disagree	5	3.2	3.2	7.8
	Neutral	25	16.2	16.2	24.0
	Agree	56	36.4	36.4	60.4
	Strongly Agree	61	39.6	39.6	100.0
	Total	154	100.0	100.0	

Prices are competitive compared to other pharmacies.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	6	3.9	3.9	3.9
	Disagree	11	7.1	7.1	11.0
	Neutral	31	20.1	20.1	31.2
	Agree	63	40.9	40.9	72.1
	Strongly Agree	43	27.9	27.9	100.0
	Total	154	100.0	100.0	

I feel satisfied with the value of services received.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	5	3.2	3.2	3.2
	Disagree	5	3.2	3.2	6.5
	Neutral	35	22.7	22.7	29.2
	Agree	66	42.9	42.9	72.1
	Strongly Agree	43	27.9	27.9	100.0
	Total	154	100.0	100.0	

Discounts and promotions increase the value of purchase.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.6	2.6	2.6
	Disagree	5	3.2	3.2	5.8
	Neutral	31	20.1	20.1	26.0
	Agree	51	33.1	33.1	59.1
	Strongly Agree	63	40.9	40.9	100.0
	Total	154	100.0	100.0	

The pharmacy meets my expectations in product availability.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	3	1.9	1.9	1.9
	Disagree	9	5.8	5.8	7.8
	Neutral	21	13.6	13.6	21.4
	Agree	75	48.7	48.7	70.1
	Strongly Agree	46	29.9	29.9	100.0
	Total	154	100.0	100.0	

My expectations for customer service are always met.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	2	1.3	1.3	1.3
	Disagree	10	6.5	6.5	7.8
	Neutral	23	14.9	14.9	22.7
	Agree	75	48.7	48.7	71.4
	Strongly Agree	44	28.6	28.6	100.0
	Total	154	100.0	100.0	

The pharmacy delivers services as promised.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	1	.6	.6	.6
	Disagree	6	3.9	3.9	4.5
	Neutral	19	12.3	12.3	16.9
	Agree	56	36.4	36.4	53.2
	Strongly Agree	72	46.8	46.8	100.0
	Total	154	100.0	100.0	

My expectations for timely delivery are fulfilled.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	5	3.2	3.2	3.2
	Neutral	35	22.7	22.7	26.0
	Agree	71	46.1	46.1	72.1
	Strongly Agree	43	27.9	27.9	100.0
	Total	154	100.0	100.0	

The services provided are consistent with what I expect.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	3	1.9	1.9	1.9
	Disagree	7	4.5	4.5	6.5
	Neutral	34	22.1	22.1	28.6
	Agree	66	42.9	42.9	71.4
	Strongly Agree	44	28.6	28.6	100.0
	Total	154	100.0	100.0	

I prefer this pharmacy to others in the area.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	1	.6	.6	.6
	Disagree	2	1.3	1.3	1.9
	Neutral	32	20.8	20.8	22.7
	Agree	53	34.4	34.4	57.1
	Strongly Agree	66	42.9	42.9	100.0
	Total	154	100.0	100.0	

I will continue to choose this pharmacy in the future.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	1	.6	.6	.6
	Disagree	6	3.9	3.9	4.5
	Neutral	41	26.6	26.6	31.2
	Agree	59	38.3	38.3	69.5
	Strongly Agree	47	30.5	30.5	100.0
	Total	154	100.0	100.0	

I recommend this pharmacy to family and friends.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	3	1.9	1.9	1.9
	Disagree	5	3.2	3.2	5.2
	Neutral	37	24.0	24.0	29.2
	Agree	58	37.7	37.7	66.9
	Strongly Agree	51	33.1	33.1	100.0
	Total	154	100.0	100.0	

I consider myself a loyal customer of this pharmacy.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	3	1.9	1.9	1.9
	Disagree	8	5.2	5.2	7.1
	Neutral	26	16.9	16.9	24.0
	Agree	56	36.4	36.4	60.4
	Strongly Agree	61	39.6	39.6	100.0
	Total	154	100.0	100.0	

I rarely switch to competitors for pharmaceutical needs.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	2	1.3	1.3	1.3
	Disagree	5	3.2	3.2	4.5
	Neutral	42	27.3	27.3	31.8
	Agree	66	42.9	42.9	74.7
	Strongly Agree	39	25.3	25.3	100.0
	Total	154	100.0	100.0	

I intend to continue purchasing from this pharmacy.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	2	1.3	1.3	1.3
	Disagree	4	2.6	2.6	3.9
	Neutral	34	22.1	22.1	26.0
	Agree	68	44.2	44.2	70.1
	Strongly Agree	46	29.9	29.9	100.0
	Total	154	100.0	100.0	

I will repurchase even if prices increase slightly.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	2.6	2.6	2.6
	Disagree	4	2.6	2.6	5.2
	Neutral	31	20.1	20.1	25.3
	Agree	52	33.8	33.8	59.1
	Strongly Agree	63	40.9	40.9	100.0
	Total	154	100.0	100.0	

I prefer buying all my medications here.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	3	1.9	1.9	1.9
	Disagree	2	1.3	1.3	3.2
	Neutral	24	15.6	15.6	18.8
	Agree	70	45.5	45.5	64.3
	Strongly Agree	55	35.7	35.7	100.0
	Total	154	100.0	100.0	

I have plans to repurchase from this pharmacy soon.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	2	1.3	1.3	1.3
	Disagree	5	3.2	3.2	4.5
	Neutral	27	17.5	17.5	22.1
	Agree	66	42.9	42.9	64.9
	Strongly Agree	54	35.1	35.1	100.0
	Total	154	100.0	100.0	

I would repurchase from this pharmacy before trying new ones.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	3	1.9	1.9	1.9
	Disagree	7	4.5	4.5	6.5
	Neutral	25	16.2	16.2	22.7
	Agree	51	33.1	33.1	55.8
	Strongly Agree	68	44.2	44.2	100.0
	Total	154	100.0	100.0	

The company's profitability has improved over the past year.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	2	1.3	1.3	1.3
Disagree	3	1.9	1.9	3.2
Neutral	36	23.4	23.4	26.6
Agree	59	38.3	38.3	64.9
Strongly Agree	54	35.1	35.1	100.0
Total	154	100.0	100.0	

The pharmacy has experienced steady growth in revenue.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	3	1.9	1.9	1.9
Disagree	2	1.3	1.3	3.2
Neutral	41	26.6	26.6	29.9
Agree	59	38.3	38.3	68.2
Strongly Agree	49	31.8	31.8	100.0
Total	154	100.0	100.0	

The firm's market share in the local pharmaceutical sector is increasing.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	1	.6	.6	.6
	Disagree	4	2.6	2.6	3.2
	Neutral	36	23.4	23.4	26.6
	Agree	52	33.8	33.8	60.4
	Strongly Agree	61	39.6	39.6	100.0
	Total	154	100.0	100.0	

The customer base of the pharmacy has grown significantly.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	2	1.3	1.3	1.3
	Disagree	1	.6	.6	1.9
	Neutral	40	26.0	26.0	27.9
	Agree	68	44.2	44.2	72.1
	Strongly Agree	43	27.9	27.9	100.0
	Total	154	100.0	100.0	

The pharmacy is well-positioned competitively in the market.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	1	.6	.6	.6
	Disagree	2	1.3	1.3	1.9
	Neutral	39	25.3	25.3	27.3
	Agree	61	39.6	39.6	66.9
	Strongly Agree	51	33.1	33.1	100.0
	Total	154	100.0	100.0	

DESCRIPTIVES VARIABLES=QUAL1 QUAL2 QUAL3 QUAL4 QUAL5 VAL1 VAL2
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Descriptives

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Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
The pharmaceutical products I buy are safe and reliable.	154	1.00	5.00	3.8377	1.06317
The drugs meet my health needs effectively.	154	1.00	5.00	3.8701	.91966
The products are consistent in quality across purchases.	154	1.00	5.00	3.7273	.90945
Packaging of products is attractive and professional.	154	1.00	5.00	3.9416	.90197
The products have fewer defects compared to others.	154	1.00	5.00	3.8701	.94766
The products are worth the price paid.	154	1.00	5.00	3.9805	.88908
The benefits I get from the products justify the cost.	154	1.00	5.00	4.0325	1.05048
Prices are competitive compared to other pharmacies.	154	1.00	5.00	3.8182	1.04447
I feel satisfied with the value of services received.	154	1.00	5.00	3.8896	.96040
Discounts and promotions increase the value of purchase.	154	1.00	5.00	4.0649	.98800
The pharmacy meets my expectations in product availability.	154	1.00	5.00	3.9870	.92169
My expectations for customer service are always met.	154	1.00	5.00	3.9675	.90329
The pharmacy delivers services as promised.	154	1.00	5.00	4.2468	.86555
My expectations for timely delivery are fulfilled.	154	2.00	5.00	3.9870	.80022
The services provided are consistent with what I expect.	154	1.00	5.00	3.9156	.92850
I prefer this pharmacy to others in the area.	154	1.00	5.00	4.1753	.84894

I will continue to choose this pharmacy in the future.	154	1.00	5.00	3.9416	.88736
I recommend this pharmacy to family and friends.	154	1.00	5.00	3.9675	.93877
I consider myself a loyal customer of this pharmacy.	154	1.00	5.00	4.0649	.97468
I rarely switch to competitors for pharmaceutical needs.	154	1.00	5.00	3.8766	.87319
I intend to continue purchasing from this pharmacy.	154	1.00	5.00	3.9870	.86309
I will repurchase even if prices increase slightly.	154	1.00	5.00	4.0779	.97372
I prefer buying all my medications here.	154	1.00	5.00	4.1169	.85519
I have plans to repurchase from this pharmacy soon.	154	1.00	5.00	4.0714	.87900
I would repurchase from this pharmacy before trying new ones.	154	1.00	5.00	4.1299	.97486
The company's profitability has improved over the past year.	154	1.00	5.00	4.0390	.88475
The pharmacy has experienced steady growth in revenue.	154	1.00	5.00	3.9675	.90329
The firm's market share in the local pharmaceutical sector is increasing.	154	1.00	5.00	4.0909	.88829
The customer base of the pharmacy has grown significantly.	154	1.00	5.00	3.9675	.82778
The pharmacy is well-positioned competitively in the market.	154	1.00	5.00	4.0325	.83563
QUAL	154	1.00	5.00	3.8494	.63051
VAL	154	1.20	5.00	3.9571	.65438
EXP	154	1.40	5.00	4.0208	.58663
LOY	154	1.20	5.00	4.0052	.58965

REP	154	1.00	5.00	4.0766	.60938
BP	154	1.00	5.00	4.0195	.60748
Valid N (listwise)	154				

CORRELATIONS

/VARIABLES=BP QUAL VAL EXP LOY REP

/PRINT=TWOTAIL NOSIG

/MISSING=PAIRWISE.

Correlations

		Notes
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	Weight	<none>
	Split File	<none>
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Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics for each pair of variables are based on all the cases with valid data for that pair.
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Resources	Processor Time	00:00:00.02
	Elapsed Time	00:00:00.01

Correlations

		BP	QUAL	VAL	EXP	LOY	REP
BP	Pearson Correlation	1	.260**	.309**	.330**	.494**	.453**
	Sig. (2-tailed)		.001	.000	.000	.000	.000
	N	154	154	154	154	154	154
QUAL	Pearson Correlation	.260**	1	.245**	.124	.261**	.145
	Sig. (2-tailed)	.001		.002	.126	.001	.072
	N	154	154	154	154	154	154
VAL	Pearson Correlation	.309**	.245**	1	.370**	.262**	.404**
	Sig. (2-tailed)	.000	.002		.000	.001	.000
	N	154	154	154	154	154	154
EXP	Pearson Correlation	.330**	.124	.370**	1	.394**	.428**
	Sig. (2-tailed)	.000	.126	.000		.000	.000
	N	154	154	154	154	154	154
LOY	Pearson Correlation	.494**	.261**	.262**	.394**	1	.529**
	Sig. (2-tailed)	.000	.001	.001	.000		.000
	N	154	154	154	154	154	154
REP	Pearson Correlation	.453**	.145	.404**	.428**	.529**	1
	Sig. (2-tailed)	.000	.072	.000	.000	.000	
	N	154	154	154	154	154	154

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

REGRESSION

/MISSING LISTWISE

/STATISTICS COEFF OUTS CI(95) R ANOVA COLLIN TOL CHANGE

/CRITERIA=PIN(.05) POUT(.10)

/NOORIGIN

/DEPENDENT BP

/METHOD=ENTER QUAL VAL EXP LOY REP

/RESIDUALS DURBIN.

Regression

Notes

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Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.

Syntax	Cases Used	<p>Statistics are based on cases with no missing values for any variable used.</p> <p>REGRESSION</p> <p>/MISSING LISTWISE</p> <p>/STATISTICS COEFF OUTS CI(95) R</p> <p>ANOVA COLLIN TOL CHANGE</p> <p>/CRITERIA=PIN(.05) POUT(.10)</p> <p>/NOORIGIN</p> <p>/DEPENDENT BP</p> <p>/METHOD=ENTER QUAL VAL EXP</p> <p>LOY REP</p> <p>/RESIDUALS DURBIN.</p>
Resources	<p>Processor Time</p> <p>Elapsed Time</p> <p>Memory Required</p> <hr/> <p>Additional Memory Required for Residual Plots</p>	<p>00:00:00.03</p> <p>00:00:00.02</p> <p>6000 bytes</p> <hr/> <p>0 bytes</p>

Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	REP, QUAL, EXP, VAL, LOY ^b		Enter

a. Dependent Variable: BP

b. All requested variables entered.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.571 ^a	.326	.303	.50715	.326	14.305	5	148	.000	1.904

a. Predictors: (Constant), REP, QUAL, EXP, VAL, LOY

b. Dependent Variable: BP

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.396	5	3.679	14.305	.000 ^b
	Residual	38.066	148	.257		
	Total	56.462	153			

a. Dependent Variable: BP

b. Predictors: (Constant), REP, QUAL, EXP, VAL, LOY

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	.851	.402		2.114	.036	.056	1.646		
	QUAL	.117	.069	.121	1.695	.092	-.019	.252	.895	1.117
	VAL	.082	.072	.088	1.141	.256	-.060	.224	.758	1.319
	EXP	.077	.081	.075	.948	.344	-.084	.238	.736	1.359
	LOY	.308	.086	.299	3.581	.000	.138	.478	.655	1.528
	REP	.209	.086	.210	2.438	.016	.040	.378	.616	1.623

a. Dependent Variable: BP

Collinearity Diagnostics^a

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions					
				(Constant)	QUAL	VAL	EXP	LOY	REP
1	1	5.927	1.000	.00	.00	.00	.00	.00	.00
	2	.024	15.779	.00	.71	.01	.07	.01	.07
	3	.018	17.935	.00	.00	.76	.00	.19	.02
	4	.013	21.381	.03	.00	.08	.72	.10	.21
	5	.009	25.412	.06	.02	.14	.00	.69	.60
	6	.008	26.689	.91	.26	.00	.21	.00	.09

a. Dependent Variable: BP

Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.7524	4.8139	4.0195	.34675	154
Residual	-1.59293	1.35784	.00000	.49879	154
Std. Predicted Value	-6.538	2.291	.000	1.000	154
Std. Residual	-3.141	2.677	.000	.984	154

a. Dependent Variable: BP

DEPARTMENT OF BUSINESS ADMINISTRATION
FACULTY OF MANAGEMENT SCIENCES
UNIVERSITY OF BENIN, BENIN CITY

Dear Sir/Madam,

REQUEST FOR YOUR COOPERATION IN COMPLETING THIS QUESTIONNAIRE

I am an undergraduate of the above-named Institution and Department. I am currently carrying out a research on **“Customer Satisfaction and Business Profitability: A Case Study of Pharmaceutical Outlets in Edo State, Nigeria.”**

In this regard, you have been duly selected as a member of the sample. I wish to appeal to you to kindly assist this study by sparing a few minutes to complete this questionnaire. Please be assured that your answers will be treated in strict confidence and used for academic purposes only.

Thank you for your cooperation.

SECTION A: PERSONAL DATA

Please tick [✓] the option that applies to you

- 1 Gender Male Female
- 2 Age Below 20 20–29 30–39 40–49 50 and above
- 3 Marital Status Single Married Divorced Widowed
- 4 Highest Educational Qualification FSLC SSCE/WAEC OND/NCE
B.Sc/HND Postgraduate Others (specify)

- 5 Relationship with the Firm Customer Employee

SECTION B: RESEARCH ITEMS

Please indicate the option that represents your opinion.

SA = Strongly Agree; A = Agree; U = Undecided; D = Disagree; SD = Strongly Disagree

S/N	ITEMS	SA	A	U	D	SD
B. Product Quality						
6	The pharmaceutical products I buy are safe and reliable.					
7	The drugs meet my health needs effectively.					
8	The products are consistent in quality across purchases.					
9	Packaging of products is attractive and professional.					
10	The products have fewer defects compared to others.					
C. Perceived Value						
11	The products are worth the price paid.					
12	The benefits I get from the products justify the cost.					
13	Prices are competitive compared to other pharmacies.					
14	I feel satisfied with the value of services received.					
15	Discounts and promotions increase the value of purchase.					

D. Customer Expectations					
16	The pharmacy meets my expectations in product availability.				
17	My expectations for customer service are always met.				
18	The pharmacy delivers services as promised.				
19	My expectations for timely delivery are fulfilled.				
20	The services provided are consistent with what I expect.				
E. Customer Loyalty					
21	I prefer this pharmacy to others in the area.				
22	I will continue to choose this pharmacy in the future.				
23	I recommend this pharmacy to family and friends.				
24	I consider myself a loyal customer of this pharmacy.				
25	I rarely switch to competitors for pharmaceutical needs.				
F. Repurchase Intention					
26	I intend to continue purchasing from this pharmacy.				
27	I will repurchase even if prices increase slightly.				
28	I prefer buying all my medications here.				

29	I have plans to repurchase from this pharmacy soon.					
30	I would repurchase from this pharmacy before trying new ones.					
G. Business Profitability (Employee Perspective)						
31	The company's profitability has improved over the past year.					
32	The pharmacy has experienced steady growth in revenue.					
33	The firm's market share in the local pharmaceutical sector is increasing.					
34	The customer base of the pharmacy has grown significantly.					
35	The pharmacy is well-positioned competitively in the market.					

Thank You!!!!