

ABSTRACT

Supply Chain Management Practices, Customer Satisfaction and Customer Loyalty

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Abstract In competitive business environments companies have identified the need to redesign their supply chain management practices to increase customer satisfaction and customer loyalty. This study sought to determine the effects of supply chain management practices on customer satisfaction and loyalty in selected supermarkets in Kenya. The study used systems thinking theory and it employed a survey research design. The target population was a total of 1,208 managers and procurement officers in the selected supermarkets. Stratified random sampling was used to select a sample of respondents. Findings indicated that strategic supplier partnership, supply postponement, customer relationship and information sharing had significant and positive effect on customer satisfaction which also increases customer loyalty. The study concludes that supply chain management practices enhances customer satisfaction in the supermarkets. The study recommends that there is need for companies to work jointly with suppliers in order to improve customer satisfaction and improve performance.

Keywords: Supply chain management; customer satisfaction; customer loyalty.