EFFECT OF ECO-FRIENDLY MARKETING ON CUSTOMER LOYALTY OF FAST-MOVING CONSUMER GOODS (FMCG) IN NORTH CENTRAL NIGERIA

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ABSTRACT
This study examined the effect of Eco-friendly marketing on customer loyalty in the Fast-Moving Consumer Goods (FMCG) sector in North Central Nigeria. The study's specific objectives were to assess the effect of influential marketing and Employee engagement on customer loyalty in Nigeria's FMCG sector in the North Central region. A sample size of 442 customers from various FMCG companies in Nigeria were selected using the Cochran (1963) formula for sample size determination. Purposive and convenience sampling methods were employed in selecting the respondents. Data was collected through primary sources using a structured questionnaire on a five-point Likert scale. Partial Least Squares Structural equation modeling (PLS-SEM) was employed to analyse the data and test hypotheses. The results show a positive significant effect of Influencer Marketing on customer loyalty while Employee Engagement has a negative but insignificant effect on customer loyalty. The study recommends that FMCG companies in North Central Nigeria should develop comprehensive influencer marketing strategies. They should identify and partner with credible, local influencers who align with their brand values and have a strong connection with the target audience. The companies should focus on aligning employee engagement initiatives more closely with customer-facing roles. Implement training programs that enhance employees' product knowledge and customer service skills, potentially leading to improved customer interactions and loyalty in the long term.
Keywords: Eco-friendly Marketing, Influential Marketing, Employee Engagement, FMCG companies, North Central

INTRODUCTION
Eco-friendly also known as sustainable marketing has gained significant attention in recent years as consumers become more environmentally conscious and socially responsible. This shift in consumer behavior has prompted companies, particularly in the Fast-Moving Consumer Goods (FMCG) sector, to adopt sustainable marketing practices to maintain customer loyalty and gain a competitive edge (Kumar et al., 2021).

Influencer marketing, as a component of sustainable marketing, has emerged as a powerful tool for FMCG brands to connect with consumers and promote sustainable products and practices. Influencers, with their large followings and perceived authenticity, can effectively communicate sustainability messages and encourage eco-friendly consumption habits (De Veirman et al., 2019). This approach has proven particularly effective in reaching younger demographics, who are more likely to engage with social media content and make purchasing decisions based on influencer recommendations (Martínez-López et al., 2020). Employee engagement, another crucial aspect of sustainable marketing, involves aligning a company's workforce with its sustainability goals and values. Engaged employees who are well-informed about their company's sustainable practices can become powerful brand ambassadors, both internally and externally (Glavas, 2016). This engagement can lead to improved customer service, increased product knowledge, and a more authentic representation of the brand's sustainability efforts, ultimately contributing to customer loyalty (Yousaf et al., 2022).

In the context of FMCG companies in North Central Nigeria, the adoption of sustainable marketing practices through influencer marketing and employee engagement presents both opportunities and challenges. The region, like many developing areas, faces unique environmental and social issues that sustainable marketing initiatives could address (Oyewole et al., 2018). However, the effectiveness of these strategies may be influenced by factors such as local cultural norms, digital penetration rates, and consumer awareness of sustainability issues (Nkamnebe, 2011). As global FMCG giants and local companies compete in the North Central Nigerian market, understanding the impact of sustainable marketing practices on customer loyalty becomes crucial. This study aims to explore how influencer marketing and employee engagement, as proxies for sustainable marketing, affect customer loyalty in the FMCG sector within this specific geographic context.

The impact of sustainable marketing practices on customer loyalty in Nigeria's Fast-Moving Consumer Goods (FMCG) sector remains a critical yet understudied area. This gap in research persists despite the growing adoption of various sustainability initiatives by FMCG companies, including influencer marketing, and employee engagement programs. Nigerian consumers demonstrate distinctive attitudes, perceptions, and behaviors towards sustainable products and brands compared to their global counterparts. However, the specific effects of these sustainable marketing efforts on customer loyalty within the Nigerian market are not well understood. This lack of comprehensive research hinders the development of targeted marketing strategies that could effectively address Nigeria's unique socio-economic and environmental landscape.

Existing studies by researchers such as Eklund et al. (2020), Imran and Rizwan (2022), Bablu (2023), and Gong et al. (2023) have established links between sustainable marketing practices and customer loyalty. However, these investigations have primarily focused on different markets and product categories, including smartphone brands in Sweden, fashion apparel in Pakistan, food and beverage products in Nepal, and electric automobiles in China. To bridge this knowledge gap, there is an urgent need to examine the relationship between sustainable marketing practices and customer loyalty specifically within the Nigerian FMCG sector. This study aimed to address this research gap by investigating the effect of sustainable marketing on customer loyalty in Nigeria's FMCG sector in the North Central region. It employs a comprehensive approach, using Influencer Marketing, and Employee Engagement as proxies for sustainable marketing practices.

The primary aim of this study is to assess the effect of sustainable marketing on customer loyalty of Fast-Moving Consumer Goods (FMCG) in North Central Nigeria. The study aimed to accomplish, the following specific objectives:

i. To determine the effect of Influencer Marketing on customer loyalty of Fast-Moving Consumer Goods in North Central Nigeria
ii. To evaluate the effect of Employee Engagement on customer loyalty of Fast-Moving Consumer Goods in North Central Nigeria

The following hypotheses guided the study:

Ho_1: Influencer Marketing has no significant effect on customer loyalty of Fast-Moving Consumer Goods in North Central Nigeria

Ho_2: Employee Engagement has no significant effect on customer loyalty of Fast-Moving Consumer Goods in North Central Nigeria

LITERATURE REVIEW

Eco-Friendly Marketing

Kumar et al. (2012) defined sustainable marketing as the process of creating, communicating, and delivering value to customers in such a way that both natural and human capital are preserved or enhanced throughout. According to Belz and Peattie (2009), sustainable marketing is planning, organizing, implementing, and controlling marketing resources and programmes to satisfy consumers' wants and needs, while considering social and environmental criteria and meeting corporate objectives. Martin and Schouten (2012) offered another definition that it is the process of creating, communicating, and delivering value to customers in such a way that both natural and human capital are preserved or enhanced throughout the process and the long-term well-being of both customers and society is prioritized.

Influencer Marketing

Influencer marketing is defined as the identification and use of specific key individuals who have influence over potential buyers of a brand or product to aid in marketing activities (De Veirman et al. 2017). Lou and Yuan (2019) describe influencer marketing as a form of social media marketing involving endorsements and product placements from influencers, people and organizations who possess an expert level of knowledge and/or social influence in their respective fields. According to Childers et al. (2019), influencer marketing is the practice of identifying key individuals who have influence over potential customers, and orienting marketing activities around these influencers to drive brand message and product adoption through their trusted status.

Employee Engagement

Kahn (1990) defined employee engagement as the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances. In the context of sustainable marketing, this definition suggests that engaged employees are more likely to fully invest themselves in implementing and promoting sustainable practices within their organizations. They may be more inclined to contribute ideas for eco-friendly initiatives, actively participate in sustainability programs, and embody the company's sustainable values in their interactions with customers.

According to Schaufeli et al. (2002) employee engagement is defined as a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption. When applied to sustainable marketing, this definition implies that engaged employees would approach sustainability initiatives with high energy (vigor), strong involvement and enthusiasm (dedication), and focused concentration (absorption). Such employees are more likely to persistently pursue sustainable goals, even in the face of challenges, and to effectively communicate the company's sustainability efforts to customers and stakeholders.

Macey and Schneider (2008) conceptualize employee engagement as a desirable condition that has an organizational purpose and connotes involvement, commitment, passion, enthusiasm, focused effort, and energy. In relation to sustainable marketing, this definition suggests that engaged employees would be passionate about their organization's sustainability mission, committed to achieving sustainable outcomes, and enthusiastic about promoting sustainable products or services. Their focused effort and energy would be directed towards integrating sustainability into all aspects of their work, from product development to customer interactions, thereby enhancing the effectiveness of the company's sustainable marketing strategies.

Customer Loyalty

Customer loyalty refers to the deep emotional connection that customers develop with a brand, which influences their purchasing behavior and advocacy. This type of loyalty is driven by positive experiences and feelings associated with the brand (Kumar & Shah 2018). According to Chinomona and Sandada (2013) customer loyalty is defined as the psychological state that binds a customer to a brand or company, leading to consistent purchasing behavior over time. This commitment is influenced by satisfaction, trust, and perceived value.

Empirical Review

Savyak (2023) examined the effect of Influencer Marketing on customer loyalty. Survey research design and quantitative research approach was chosen as a data collection method. The population of the study was social media users in the fashion industry. Data was collected from 78 participants using Google Forms in English and the link was distributed through various platforms and groups such as Instagram, WhatsApp, and email. Data collected was analyzed using linear regression. The result revealed that influencer marketing has a positive effect on customer loyalty in the fashion industry. A criticism of the study pertains to the variation in both the subject area and the analytical methodology when compared to the present study. In the current study, the focus is on the FMCGs industry, and the analytical tool employed is SEM-PLS.

Olasanmi (2023) examined the effect of Influencer Marketing on customer loyalty. The study adopted descriptive survey research design and primary data were sourced for the study using a questionnaire. The population for the study comprised of customers spread across the six southwestern states of Nigeria as indicated on Instagram Social Media Platform. Using Yamane formula, a sample size of 400 customers was proportionately sourced for this study. Purposive sampling technique was used to select customers who made use of influencers on the Instagram social media platform, as it had the highest number of influencers. Data collected were analysed using frequency counts, mean, standard deviation and Analysis of Variance (ANOVA). The result showed that the use of influencer marketing contributed to the building of customers' loyalty within the selected geo-political zone, indicating a significant positive relationship between influencer marketing and customer loyalty. This study is thorough, yet it diverges in terms of its geographical scope when compared to the current study, which is specifically centered on the North Central.

Apoorwa, et al. (2023) determined the effect of Influencer Marketing on customer loyalty. This research adopts a meta-analytic approach to review and synthesize data from multiple primary studies conducted in the domain of influencer marketing. The authors meticulously gather and analyze data from various empirical studies, ensuring statistical rigor to draw meaningful and reliable conclusions. The meta-analytic review yields compelling findings regarding the effect of influencer marketing on customer loyalty. It sheds light on the significant positive effect of influencers marketing on customer loyalty. One of the criticisms of the study is that it depended on secondary data, whereas the current research utilizes primary data.

Taware, and Bodla (2022) examined the effect of Employee Engagement on Customer Loyalty. The research design used for the study is descriptive design. A sample size of 92 was taken, which consisted of employees of each hotel of Vadodara (3stars - 5stars) who were executives, assistant managers, managers and above. Sample design used in this study is convenient sampling. The questionnaire in the form of google forms consisted of 32 questions which were in closed ended questions was used to collect data. Data collected was analyzed using percentage analysis. The result showed that employee engagement has a positive effect on customer loyalty. This research employed percentage analysis, while the present study adopts Structural Equation Modeling with Partial Least Squares (SEM PLS) to explore causal relationships.

Sajjad, et al. (2021) determined the effect of Employees Engagement on Customer Loyalty. The study is based on a descriptive approach and data were collected through an adopted questionnaire from the customers of the insurance company using a sample size of 220 insurance service users through a non-probability sampling technique. Data reliability and validity were confirmed through Cronbach's alpha and confirmatory factor analysis and hypotheses were tested through Andrew F. Hayes model 7. Results show a significant direct effect of employee engagement on customers' loyalty. Moreover, the findings confirmed the significant role of customers' engagement as a mediator between employee engagement and customers' loyalty. Results also confirmed customers' trust moderating effect between employee engagement and customers' engagement. Furthermore, the result confirmed the mediation of trust-based-customers engagement between the link of employee engagement and customers' loyalty. One criticism of the study relates to the disparity in analytical methods, as the present research employs SEM-PLS as opposed to another approach.

Sukhmeet and Bhanage (2020) did an analytical study on the effect of Employee Engagement on Customer loyalty. The study applied analytical and explorative research to investigate the relationship among two studied variables. Descriptive research was also performed to know the pattern and characteristics of the samples. The Researchers obtained 150 employees and 150 customers sample size for concluding the study. In primarily phase, purposive sampling is used for selecting only approved hotels by Ministry of Tourism of India. Data was collected using a questionnaire. All the data acknowledged from employees and customers were systematically compiled and tabulated to enable statistical analysis. The SPSS Software version 21.0 was performed to get descriptive and inferential analyses. The outcome of the paper outlines a positive and significant effect of Employee Engagement on Customer loyalty. One of the criticisms of the study is that it was conducted in the hospitality industry, whereas the current research focuses on FMCGs industry.

Social Exchange Theory

The Social Exchange Theory (SET), initially proposed by George Homans in 1958 and later expanded by Peter Blau in 1964, offers a framework for analyzing customer loyalty within sustainable marketing in the FMCG sector. SET asserts that social interactions are driven by an exchange process that aims to maximize benefits while minimizing costs (Homans, 1958; Blau, 1964). According to SET, relationships are established when perceived benefits exceed costs (Cropanzano & Mitchell, 2005). In the marketing context, these benefits can be both tangible (such as product quality) and intangible (like emotional fulfillment). The theory effectively explains why customers may choose to remain loyal to sustainable brands, even when they incur higher costs, as they value psychological and social advantages (Jiang et al., 2016).

Nevertheless, SET has its limitations. It may overly simplify human behavior by neglecting emotional and cultural influences on decision-making (Cropanzano & Mitchell, 2005). Additionally, it might not adequately address altruistic actions or decisions based on moral considerations. Researchers have utilized SET in marketing studies; for example, Jiang et al. (2016) found that corporate social responsibility positively impacts customer loyalty through trust and satisfaction. Similarly, Kang and Hustvedt (2014) identified a positive link between sustainable marketing practices and consumer trust in the apparel sector.

In this study on sustainable marketing and customer loyalty in the FMCG sector of North Central Nigeria, SET can clarify how sustainable practices generate perceived benefits that lead to loyalty. It can also explain how these benefits may outweigh potential costs in customer decision-making.

However, it is important to critically assess the applicability of SET in this context. Originally developed in a Western framework, it may not fully reflect the nuances of Nigerian consumer behavior, such as collective decision-making and economic limitations faced in developing markets. While SET provides insights into transactional relationships, it may overlook the emotional and identity-driven aspects of brand loyalty, which are often crucial in sustainable marketing narratives.

METHODOLOGY

This research study utilized a survey research design to gather and analyze data from a diverse sample of participants relevant to the topic under investigation. The value of this research design lies in its ability to provide broad coverage and representation of the population being studied, offering a holistic understanding of the research problem.

The research aimed to engage customers from FMCG companies in North Central Nigeria. Given the indeterminable exact number of customers for these renowned FMCG companies, the population can be deemed infinite. To ascertain an appropriate sample size for the study, the Cochran (1963) formula for sample size determination, tailored for an infinite population, was applied. This formula considers the desired level of confidence, margin of error, and estimated proportion, thus deriving a sample size that precisely reflects the population.

The formula is:

$$n = \frac{Z^2 \times p \times q}{E^2}$$

where:

n is the sample size

Z is the Z-score for the desired level of confidence (e.g., 1.96 for a 95% confidence level)

p is the estimated proportion of the population with the characteristic of interest
q is 1 - p (the proportion of the population without the characteristic of interest)
E is the desired margin of error (expressed as a decimal)
Thus, the sample size for this study is:

$$n = \frac{1{,}96^2 \times 0.5 \times 0.5}{0.05^2} = 385$$

For the study, it is recommended to have a minimum sample size of 385 respondents. According to Israel (2013), it is advised to add 10% - 30% to the minimum sample size to account for potential non-respondents or unreturned questionnaire. Therefore, an additional 15% of the sample size, which is 57 respondents, was added, resulting in a total of 442 copies of the questionnaire to be administered to customers of FMCG companies in North Central Nigeria. The selection of respondents was done using a combination of purposive and convenience sampling methods. For this study, data was collected through primary sources using a structured questionnaire. The questionnaire utilized a five-point Likert scale, ranging from "strongly agree" to "strongly disagree," as the response format.

Construct Reliability

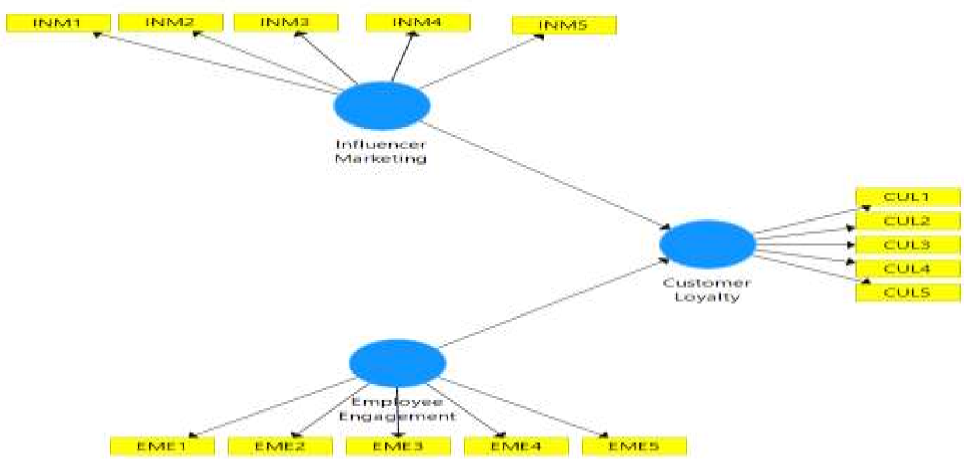
To effectively establish the reliability of the concept, it is generally accepted that both Cronbach's alpha and composite reliability (CR) should exceed the threshold of 0.7, which is widely regarded as the standard for ensuring a strong level of internal consistency. Table 3.1 presents the results for Cronbach's Alpha, rho_A, composite reliability, and average variance extracted.

Table 3.1: Construct Reliability and Validity of the indicators

Variables	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Influencer Marketing	0.89	0.91	0.95	0.73
Employee Engagement	0.87	0.92	0.94	0.83
Customer Loyalty	0.83	0.88	0.90	0.78

Source: **Researcher's Computation using SMART PLS.**

According to Table 3.1, all composite reliability indicators exceeded the threshold of 0.7, indicating an acceptable level of reliability. Additionally, the evaluation of internal consistency using Cronbach's Alpha showed results that surpassed the benchmark of 0.8. This indicates a high level of confidence in the reliability of all constructs being examined. Dijkstra and Henseler (2015) introduced Rho_A as an alternative measure of construct reliability, positioned between Cronbach's alpha and composite reliability. Furthermore, an analysis of the average variance extracted (AVE) for each construct revealed values significantly above the recommended threshold of 0.5 set by Chin (1988). Therefore, it can be concluded that the constructs under analysis demonstrate a substantial amount of extracted variance.
The study employed Partial Least Square – Structural Equation Modeling (PLS-SEM) to examine the effect of each independent variable on the dependent variable. Smart PLS was used to code and analyze the data for this study to achieve all the set objectives.



RESULT AND DISCUSSION

Data Presentation

Table 4.1: Distribution and Retrieval of Questionnaire

Questionnaires	Frequency	Percent (%)
Returned	421	95.25
Not returned	21	4.75
Total	**442**	**100**

Source: Field Survey, 2024

Table 4.1 displays the distribution and collection of questionnaires from customers of FMCG companies. A total of 442 questionnaires were distributed for this study, resulting in a notably high response rate, with 421 completed questionnaires returned, representing 95.25% of those distributed. Only 21 questionnaires, or 4.75%, were not returned. This high response rate is particularly significant in survey research, indicating that the collected data is likely to accurately reflect the target population. The substantial sample size of 421 usable questionnaires provides a solid basis for statistical analysis, thereby enhancing the reliability and validity of the study's findings. Additionally, the low non-response rate of 4.75% reduces the risk of non-response bias, further bolstering the credibility of the results.

Table 4.2: Descriptive Statistics

Statistic	CUL	INM	EME
Mean	3.323	3.809	3.563
Median	4.104	3.243	4.303
Maximum	5.000	5.000	5.000
Minimum	1.000	1.000	1.000
Std. Dev.	1.141	1.120	1.215
Skewness	0.034	1.560	0.341
Excess Kurtosis	1.996	4.018	3.023

Source: Researcher's Computations from Smart PLS3, 2024

The descriptive statistics presented in Table 4.2 offer valuable insights into the distribution and characteristics of the study's key variables: Customer Loyalty (CUL), Influencer Marketing (INM), and Employee Engagement (EME). The mean values for all three variables exceed the midpoint of 3 on the 5-point Likert scale used in this study. Customer Loyalty shows a mean of 3.323, Influencer Marketing 3.809, and Employee Engagement 3.563. These values suggest a generally positive response tendency across all variables, with Influencer Marketing displaying the highest average score. As noted by Hair et al. (2017), mean values above the scale midpoint indicate a inclination towards agreement with the measured constructs. Examining the dispersion of responses, the standard deviations for CUL (1.141), INM (1.120), and EME (1.215) are relatively similar and fall below 2, which Tabachnick and Fidell (2013) consider acceptable for 5-point Likert scales. This suggests a comparable and reasonable spread of responses across all three variables.

The skewness values provide information about the symmetry of the distributions. With values of 0.034 for CUL, 1.560 for INM, and 0.341 for EME, all variables fall within the acceptable range of -2 to +2 for normal univariate distribution, as proposed by George and Mallery (2010). However, it's worth noting that Influencer Marketing shows a more pronounced positive skew compared to the other variables.

Regarding the peakedness of the distributions, the excess kurtosis values (CUL: 1.996, INM: 4.018, EME: 3.023) all fall within the acceptable range of -7 to +7 suggested by Byrne (2010). This indicates relatively normal distributions, although Influencer Marketing demonstrates a more peaked distribution compared to Customer Loyalty and Employee Engagement.

The minimum and maximum values (1 and 5 respectively for all variables) reveal that respondents utilized the full range of the scale, indicating good variability in the responses. The median values, particularly for Customer Loyalty (4.104) and Employee Engagement (4.303), are higher than their respective means, which Howell (2012) suggests could indicate a slight negative skew in the distribution for these variables. The descriptive statistics indicate that the data generally meet the assumptions for further parametric analyses. While there are some slight deviations from perfect normality, particularly for the Influencer Marketing variable, these are not severe enough to preclude additional statistical tests. The overall positive tendencies in the responses provide a solid foundation for exploring the relationships between sustainable marketing practices and customer loyalty in the Fast-Moving Consumer Goods (FMCG) sector of North Central Nigeria.

Table 4.3: Factor Loading

Latent Variable	Manifest Variable	Loading	t-statistic
Influencer Marketing (INM)	INM1	0.876	29.876
	INM2	0.903	36.543
	INM3	0.865	25.678
	INM4	0.889	31.234
	INM5	0.901	35.678
Employee Engagement (EME)	EME1	0.829	24.618
	EME2	0.876	28.901
	EME3	0.912	38.765
	EME4	0.889	31.234
	EME5	0.895	33.210
Customer Loyalty (CUL)	CUL1	0.923	41.234
	CUL2	0.901	35.678
	CUL3	0.889	31.312
	CUL4	0.829	38.767
	CUL5	0.706	37.123

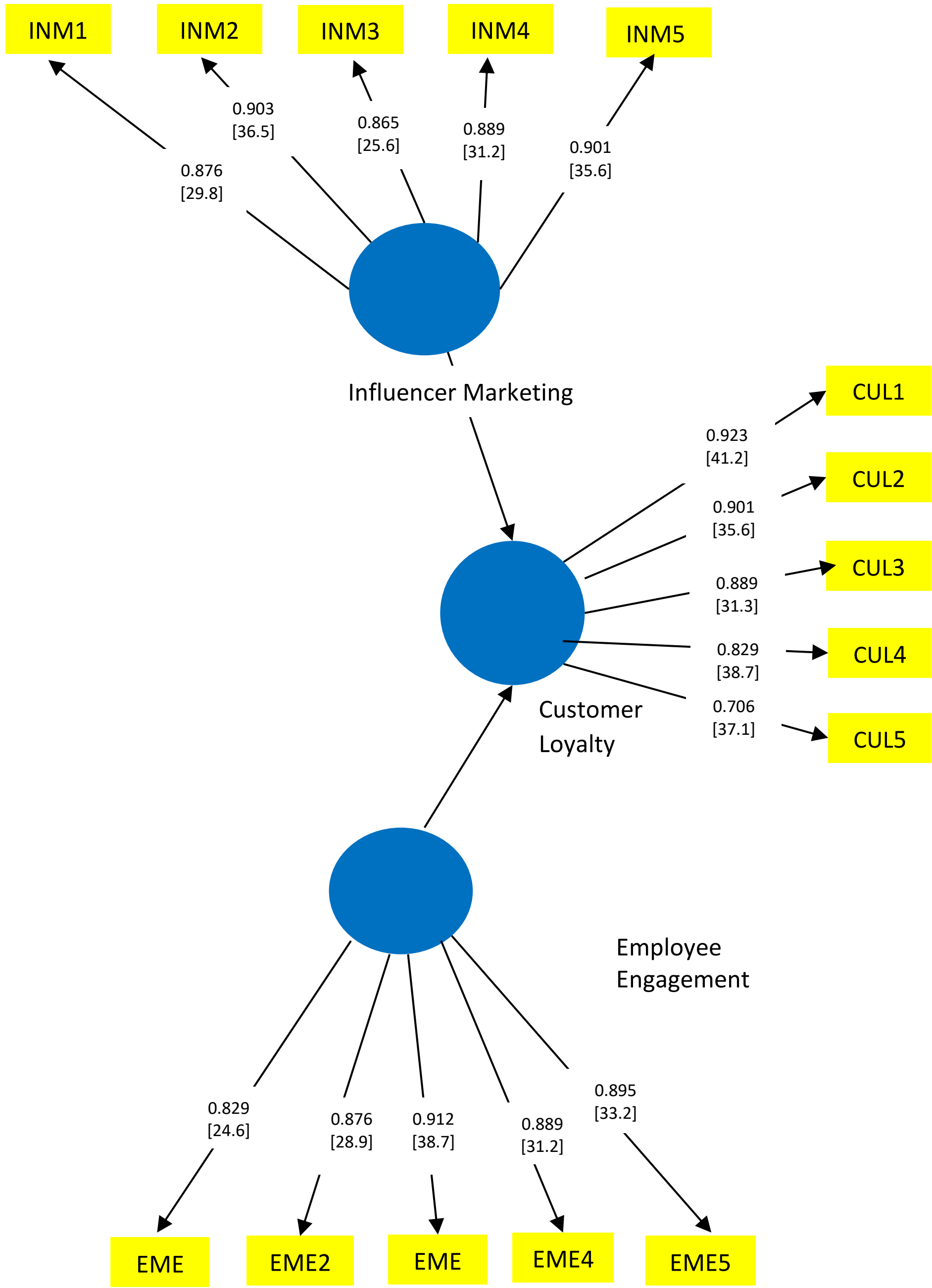
Source: Researcher's Computations from Smart PLS3

Table 4.3 presents the factor loadings for the latent variables in our study: Influencer Marketing (INM), Employee Engagement (EME), and Customer Loyalty (CUL). Factor loadings are crucial in assessing the construct validity of our measurement model. They indicate the strength of the relationship between each manifest variable (individual questionnaire items) and its corresponding latent variable (the construct it aims to measure). For Influencer Marketing (INM), the factor loadings range from 0.865 to 0.903. INM2 shows the highest loading at 0.903, while INM3 has the lowest at 0.865. All items demonstrate strong loadings, well above the commonly accepted threshold of 0.7 suggested by Hair et al. (2019). This indicates that each item is a good measure of the Influencer Marketing construct. Employee Engagement (EME) exhibits factor loadings ranging from 0.829 to 0.912. EME3 has the highest loading at 0.912, and EME1 the lowest at 0.829. Again, all items exceed the 0.7 threshold, suggesting strong relationships between each item and the Employee Engagement construct.

For Customer Loyalty (CUL), the factor loadings span from 0.706 to 0.923. CUL1 shows the highest loading at 0.923, while CUL5 has the lowest at 0.706. Although CUL5's loading is lower than the others, it still meets the minimum acceptable level of 0.7, indicating that all items are valid measures of the Customer Loyalty construct. The t-statistics for all items across all constructs are well above the critical value of 1.96 (at a 95% confidence level), with the lowest being 24.618 for EME1 and the highest being 41.234 for CUL1. These high t-values indicate that all factor loadings are statistically significant ($p < 0.05$), as noted by Kock (2015). It's worth noting that while all items show acceptable loadings, there is some variation within each construct. For instance, in the Customer Loyalty construct, CUL5 (0.706) has a notably lower loading compared to CUL1 (0.923). This suggests that while CUL5 is still a valid measure, it may not be as strong an indicator of Customer Loyalty as the other items in the scale.

Overall, these results provide strong evidence for the construct validity of our measurement model. The high and statistically significant factor loadings indicate that the manifest variables are good indicators of their respective latent constructs. This supports the appropriateness of our measurement items and provides a solid foundation for further analysis of the relationships between Influencer Marketing, Employee Engagement, and Customer Loyalty in the context of sustainable marketing practices in the FMCG sector of North Central Nigeria. These findings align with the guidelines provided by Fornell and Larcker (1981), who suggest that factor loadings should exceed 0.7 to ensure that more than 50% of the variance in the observed variable is explained by the construct. Our results meet and often exceed this criterion, indicating robust measurement properties for our constructs.

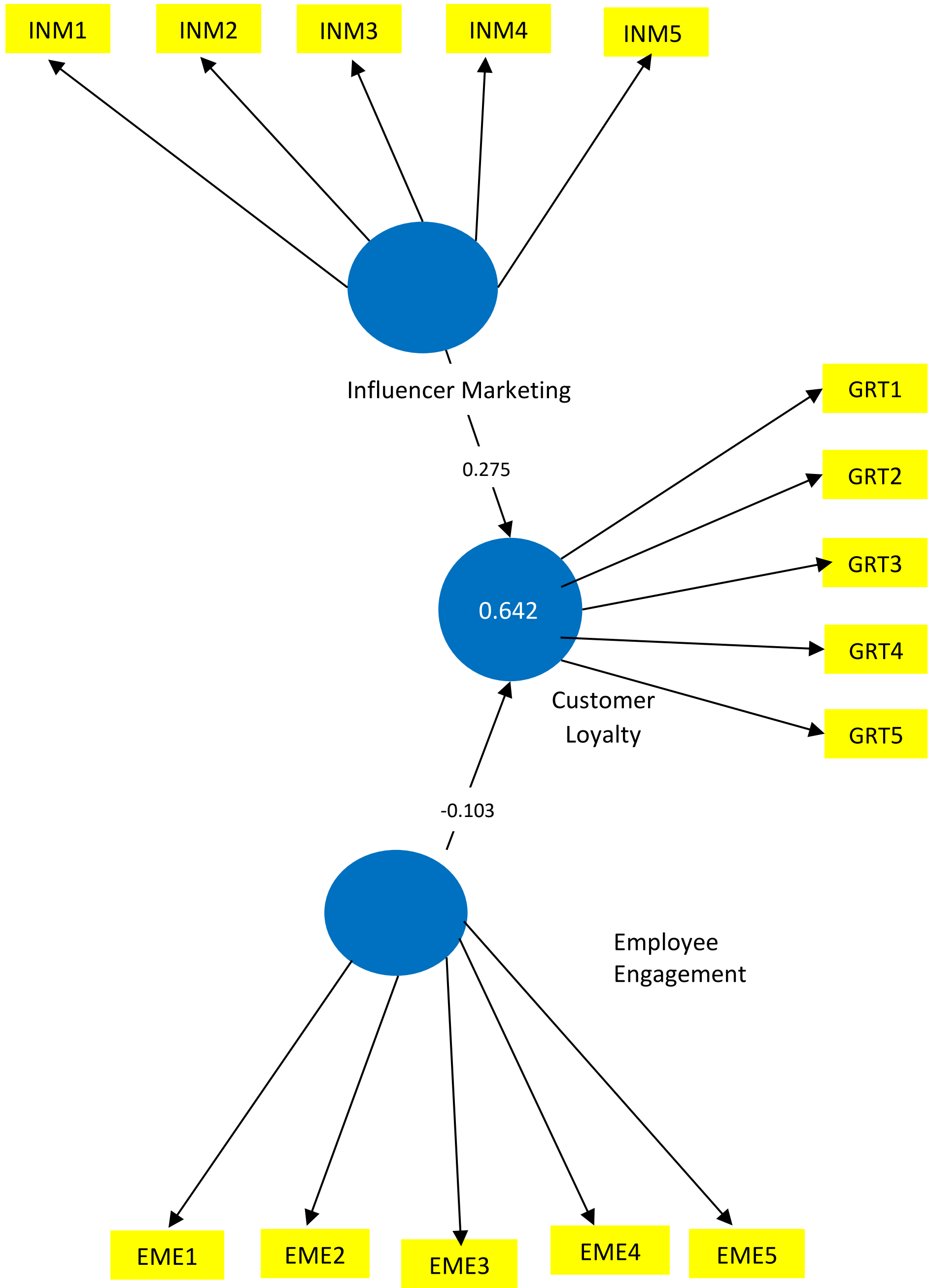
Figure 4.1: PLS Algorithm (Item Loadings and t-statistics)



Note: t-statistics are in square brackets, [].

Source: Researcher's Construction from Smart PLS, 2024.

Figure 4.2: Structural Model (Path Coefficients and R^2)



Source: Smart PLS Researcher's Construction, 2024.

Figures 4.1 and 4.2 indicate that the independent variables—Influencer Marketing and Employee Engagement—play a significant role in predicting customer loyalty within FMCG companies in North Central Nigeria. It is important to note that both variables show statistical significance, as demonstrated by the t-values and probability values derived from the analysis. Furthermore, a comprehensive evaluation of these latent variables necessitates the use of component scores associated with each variable on the scales. To support hypothesis testing, it is essential to establish relationships between the latent variables, particularly focusing on the expected impacts of these three distinct factors on the dependent variable. By examining the intricacies of these relationships, we can gain a deeper understanding of how these independent variables collectively influence customer loyalty in the FMCG sector in North Central Nigeria.

Hypotheses Testing

Table 4.4: Path Coefficient of the Model for Hypotheses Testing

Hypothesis	Beta	t-value	p-value	Decision	f^2
H_{01}: Influencer Marketing → Customer Loyalty	0.275	4.321	0.000	Rejected Ho	0.090
H_{02}: Employee Engagement → Customer Loyalty	-0.103	1.367	0.172	Accepted Ho	0.012

Source: Researcher's Computation from Smart-PLS 3 2024

Hypothesis One

Ho_1: Influencer Marketing has no significant effect on customer loyalty of Fast-Moving Consumer Goods in North Central Nigeria

The analysis for the hypothesis Ho_1 in table 4.4 that Influencer Marketing has no significant effect on customer loyalty of Fast-Moving Consumer Goods in North Central Nigeria reveals significant results. The result shows a positive significant effect of Influencer Marketing on customer loyalty. The path coefficient (Beta) for Influencer Marketing is 0.275, indicating a positive relationship with customer loyalty. The t-value of 4.321 far exceeds the critical threshold of 1.96, suggesting that the relationship is statistically significant (Hair, Ringle, & Sarstedt, 2013). The p-value is 0.000, which is well below the conventional significance level of 0.05, further confirming the significance of the effect. The effect size (f^2) is 0.090, suggesting that Influencer Marketing has a moderate impact on customer loyalty (Cohen, 1988). Therefore, the null hypothesis (Ho_1) is rejected, demonstrating that Influencer Marketing significantly and positively affects customer loyalty in the context of Fast-Moving Consumer Goods (FMCGs) in North Central Nigeria.

Hypothesis Two

Ho_2: Employee Engagement has no significant effect on customer loyalty of Fast-Moving Consumer Goods in North Central Nigeria

The analysis for the hypothesis Ho_2 in table 4.4 that Employee Engagement has no significant effect on customer loyalty of Fast-Moving Consumer Goods in Nigeria shows that the results do not support a significant relationship. The result indicates that Employee Engagement has a negative but insignificant effect on customer loyalty. The path coefficient (Beta) for Employee Engagement is -0.103, indicating a negative relationship with customer loyalty. However, the t-value of 1.367 is below the critical threshold of 1.96, suggesting that the relationship is not statistically significant (Hair, Ringle, & Sarstedt, 2013). The p-value of 0.172 is above the conventional significance level of 0.05, reinforcing the lack of significance. The effect size (f^2) is 0.012, indicating a negligible impact of Employee Engagement on customer loyalty (Cohen, 1988). Consequently, the null hypothesis (Ho_2) is accepted, meaning that Employee Engagement does not have a significant effect on customer loyalty in the context of Fast-Moving Consumer Goods (FMCGs) in North Central Nigeria.

Table 4.5: R^2 of the Model

Dependent Variable	R^2
Customer Loyalty	0.642

Source: Researcher's Computation from Smart-PLS 3

The R^2 value of 0.642 in Table 4.5 suggests that 64.2% of the variations in Customer Loyalty among Fast-Moving Consumer Goods (FMCGs) in North Central Nigeria can be explained by the collective impact of the independent variables in the model: Influencer Marketing, and Employee Engagement.

Discussion of Findings

Influencer Marketing and customer loyalty of Fast-Moving Consumer Goods in North Central Nigeria

In the first objective, this study sought to determine the effect of Influencer Marketing on customer loyalty of Fast-Moving Consumer Goods in North Central Nigeria. The result shows a positive significant effect of Influencer Marketing on customer loyalty. This result indicates that leveraging influencers—individuals with significant social media followings and the ability to shape consumer perceptions—can effectively enhance customer loyalty for FMCG brands in Nigeria. The significant positive effect suggests that when influencers promote or endorse FMCG products, they can strongly influence their followers' purchasing decisions and brand loyalty. Practically, this finding implies that FMCG companies in Nigeria should consider incorporating Influencer Marketing into their broader marketing strategies. By selecting the right influencers who align with their brand values and resonate with their target audience, these companies can significantly boost customer loyalty. This also highlights the importance of choosing influencers whose followers are likely to become loyal customers, thereby ensuring that the investment in influencer partnerships translates into tangible benefits for the brand. The findings align with Savyak (2023) and Apoorwa, et al. (2023) who examined the effect of Influencer Marketing on customer loyalty and found a positive significant effect of Influencer Marketing on customer loyalty. It also aligns with the findings of Olasanmi, (2023) who investigated the effect of Influencer Marketing on customer loyalty and found a positive significant effect of Influencer Marketing on customer loyalty.

Employee Engagement and customer loyalty of Fast-Moving Consumer Goods in North Central Nigeria

The second objective of this study was to evaluate the effect of Employee Engagement on customer loyalty of Fast-Moving Consumer Goods in North Central Nigeria. The result indicates that Employee Engagement has a negative but insignificant effect on customer loyalty. This result suggests that, contrary to expectations, higher levels of employee engagement do not significantly contribute to enhancing customer loyalty in the FMCG context in Nigeria. The negative but insignificant effect indicates that changes in how engaged employees are with their work do not meaningfully impact the loyalty of customers to the FMCG brands studied. Practically, this finding implies that while Employee Engagement is generally considered vital for organizational success, its direct influence on customer loyalty within the FMCG sector may not be as strong or straightforward as in other industries. FMCG companies in Nigeria might need to focus more on other factors, such as marketing strategies or product quality, to drive customer loyalty rather than relying heavily on employee engagement alone. However, this does not diminish the importance of employee engagement in other areas of business performance, but it highlights that its role in fostering customer loyalty may be limited in this specific sector. This finding contradicts that of Taware, and Bodla (2022) who evaluated the effect of Employee Engagement on customer loyalty and found positive and significant effect of Employee Engagement on customer loyalty. It also contradicts the finding of Sajjad, et al. (2021) who assessed the effect of Employee Engagement on customer loyalty and found positive and significant effect of Employee Engagement on customer loyalty. Furthermore, the findings contradict that of Sukhmeet and Bhanage (2020) who investigated the effect of Employee Engagement on customer loyalty and found positive and significant effect of Employee Engagement on customer loyalty.

CONCLUSION AND RECOMMENDATIONS

The study employed structural equation modeling with partial least squares (PLS-SEM) to examine the effect of various components of sustainable marketing on customer loyalty in the Fast-Moving Consumer Goods (FMCG) sector in North Central Nigeria provides valuable insights.

The findings reveal a complex landscape where the two elements of sustainable marketing yield varying degrees of influence. While Influencer Marketing emerged as significant positive factor. Surprisingly, Employee Engagement demonstrated a negative, albeit insignificant, impact. The study conclude that sustainable marketing has a significant effect on customer loyalty in the Fast-Moving Consumer Goods (FMCG) sector in North Central Nigeria.

Based on the findings of this study, the following recommendations are made:

i. FMCG companies in North Central Nigeria should develop comprehensive influencer marketing strategies. They should identify and partner with credible, local influencers who align with their brand values and have a strong connection with the target audience.

ii. Despite the negative but insignificant effect of Employee Engagement on customer loyalty, FMCG companies should not disregard this aspect entirely. Instead, focus on aligning employee engagement initiatives more closely with customer-facing roles. Implement training programs that enhance employees' product knowledge and customer service skills, potentially leading to improved customer interactions and loyalty in the long term.

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Appendix: Research Questionnaire

Keywords: SA = Strongly Agree, A = Agree, N = Neutral, D = Disagree, SD = Strongly Disagree.

	Influencer Marketing (INM)	SA	A	N	D	SD
INM1	I like influencers who promote sustainable FMCG brands					
INM2	I trust influencers who work with sustainable FMCG brands					
INM3	Influencers using sustainable FMCG brands affect my choices					
INM4	I pay attention to promotions from trusted influencers					
INM5	Influencer campaigns teach consumers about FMCG sustainability					
	Employee Engagement (EME)					
EME1	FMCG brands with staff engaged in sustainability gain my trust					
EME2	Employee passion for sustainability increases my brand loyalty					
EME3	Employee involvement in sustainability improves my view of the brand					
EME4	Strong employee engagement in sustainability builds my trust in FMCG brands					
EME5	Nigerian FMCG brands show clear employee sustainability training					
	Customer Loyalty (CUL)					
CUL1	A brand's sustainability affects my loyalty to FMCGs					
CUL2	Sustainable marketing keeps me buying FMCG products					
CUL3	I recommend FMCG products because of their sustainable marketing					
CUL4	Their sustainable marketing improves my opinion of them					
CUL5	Nigerian FMCG brands demonstrate strong sustainability in their marketing					