# BRAND IMAGE AND CUSTOMER PATRONAGE OF PETROLEUM PRODUCTS IN CALABAR METROPOLIS

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#### **ABSTRACT**

This study investigated brand image (brand identity, awareness, and reputation) on customers' patronage of selected petroleum filling stations and was conducted in Calabar Metropolis. The study adopted a survey research design, and collected data in a cross sectional survey. A sample size of 143 was extracted for the study. A 5 point structured Likert questionnaire was developed, validated and tested for reliability using test-retest technique. Data collected were analyzed using multiple regression analysis. Finding revealed that brand identity, awareness and brand reputation have positive influence on customers' patronage of petroleum filling stations in Calabar Metropolis. The study concluded that the need for acceptable brand image makes firms to direct efforts in gaining customers' patronage. The study recommends that brand identity, awareness and reputation should be continuously employed to give filling stations competitive advantage when differentiated from competitors. Keywords: Brand image, brand identity, brand awareness, brand reputation and customer patronage

# INTRODUCTION

Brands penetrate every facet of individuals' lives; individuals feel the presence of brands in economic, social, cultural, sporting and religious spheres (Maurya & Mishra, 2012 as cited in Ateke & Nwulu, 2017). Using the instrumentality of communication, firms create brand image in the minds of consumers. Brand image is an impression formed about a particular brand in consumers' minds, and developed over a time period. It is how existing or potential customers view the brand and associate with it. The ideal scenario is that brand image should be positive and what the company or manufacturer wants it to be.

Brand image encompass brand identity, brand awareness and brand reputation. Brand identity deals with brand designed by an organization and it is the essence of its image and originality. Brands are denoted by their unique names, logos, packaging and associated images, these makes up a brand's identity. That identity is designed to represent the brand's values and signal them to potential customers. An appreciation of those values helps customers form a brand image in their minds. Every company wants to position its brand in a certain way which it deems the best way for it to be seen by customers; and becomes the brand's identity.

Brand awareness entails consumers' ability to identify, recognize and recall a brand in different situation (Aaker, 1996). On the other hand, brand reputation is the total set of individual and collective judgments about the reliability of a brand based on its set of values, trustworthiness, and competences. Branding is a strategy used by firms to differentiate themselves and their products, and to deliver value to consumers and other stakeholders. A strong brand brings with, it a wealth of quality, value and high performance cues and can even be an intrinsic part of customers' lifestyles. Manufacturers who provide consistent quality, attract more customers and can charge higher prices. Strong brands provides firms with the opportunity to distinguish their products and make them easily recognizable.

Today, world trade expansion has made branding a necessity, as mark of quality, authenticity and assurance. A routine sample and density quality check of petroleum products ranging from PMS, AGO, DPK, LPG and lubricants have specified and standard quality, show that each retailer offers homogenous products, thus brand was an important determinant of buyer's choice. Customers' patronage of petroleum products of filling stations in Calabar Metropolis is often influenced by brand identity, awareness and reputation, as brand image aptly sums up the idea that consumers buy brands not only for their physical attributes and functions, but also because of the meanings connected with the brand.

Most businesses engage in unhealthy competition in order to gain customer's loyalty, they engage in all sorts of warfare believing that it is the best way to outsmart a competitor. Some sales managers work towards the direction of winning new customers without first putting the image of the product they offer in the right position. Recent studies prove that a good brand sells itself with very little effort of sales managers. When people find attachment to a particular brand and you ask them the reason for their patronage of that product, most of them will readily shout "quality."

However one would accept such answer with lots of ambivalence, given the fact that customers can only ascertain that a particular product or brand is of more quality than the other because of the level of trust they have developed for that brand and also based on their own perception of product. It is also important to consider (1) who users/consumers of a product are; (2) why customers prefer one product over other substitutes; (3) who or what influences consumers' purchase decision; (4) who will use the product; and (5) the income level and geographical location of buyers when building or working on brand image.

This study sought to investigate the influence of brand image on customers' patronage of petroleum products in Calabar Metropolis. The motivation for the study is that brand is the only distinguishing factor between substitute goods. This research will provide relevant information about target and existing customers, the data then can be used to set achievable and realistic goals for continuous improvement as well as business growth, develop effective new strategies, provide solution to business challenges, prepare for possible business expansion and identify new business opportunities.

Although petroleum filling stations offer homogeneous products, the level of prestige attached to brands is alarming. This gets one wondering, could it be that product users in making choices are merely responding to outcomes of their perception, which is a function of such attributes like brand name, mark, package, company of make etc. Most companies believe that brand image strongly influence product users. However given the fact that many factors constitute branding, one is not sure if these elements play equal role in influencing user's choice or if some play a higher role than others. This is therefore the crux of the problem of this study. How do brand image influence customer's patronage?

### LITERATURE REVIEW

### **Theoretical Framework**

The underpinning theory for this work is Love Marks Theory (Robert, 2004) which suggests that firms must go beyond creating a brand to creating a "love-mark" in order to build customer loyalty. Robert (2004) defined love-mark as a deep emotional connection that distinguishes a love mark experience from a brand experience. The theory states that, to create love-mark, a brand must provide consumers with three elements of experience: mystery, sensuality, and intimacy. This theory helps to identify the level of love, respect and experience consumer have for a product. The justification of this theory is that brand image positively contribute to creating love-mark experience which leads to consumers becoming avid fans of offerings of a company. It helps brand image concept tap into consumers' rational and emotional perception and association with a particular brand. Customers' interaction is dependent on brand image for expression. Direct and indirect brand experience make customers to have a focus on intangible aspect of brands based on mystery, sensuality and intimacy as facet of cognitive, sensory and emotional dimension of a brand.

# **Concept of Brand Image**

A brand is a name, term, design, symbol, or other feature that distinguishes an organization or products from its rivals in the eyes of the customer. The American Marketing Association defines brand as a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors. It is thus a product whose dimensions differentiate it in some way from other products designed to satisfy the same need (Kotler & Keller, 2009). These differences may be functional, rational, or tangible, and related to brand performance; or more symbolic, emotional and intangible, and related to what the brand represents.

Boulding (1956) and Aaker (1991) identified the roles of a brand to include: (1) identifying the source or maker of a product and allow consumers, either individuals or organizations to assign responsibility for its performance to a particular manufacturer or distributor; (2) helping consumers to learn about a brand through past experiences with the products and its marketing program, and finding out which brand satisfies their needs (3) simplifying product handling and helping to organize inventory and accounting records; (4) to offer the firm legal protection for unique features or aspect of the product; (5) to signal a certain level of quality so that satisfied buyers can easily choose the product again; (6) to serve as a guide to understanding the purpose of business objectives, and enables alignment of marketing plan with those objectives and fulfill the overarching strategy; and (7) to create loyal customers and employees.

Brand image thus how existing or potential customers view the brand and associate with it. It is something that eventually forms in the mind of the customer. It may be the same as brand identity or may be totally opposite. This brand image is simply an impression or an imprint of the brand developed over a period of time in the consumer's mindset. Brand image is represent rational or sentimental perception consumers attach to specific brands. Keller (1993, as cited in Ateke et al., 2015) describe brand image as consumers' perception of a brand which is measured in terms of brand associations held in their memory. Ateke et al. (2015) further states that brand image consists functional and symbolic brand beliefs. It is a strong, favorable and unique brand association, which result in positive attitude, perceived quality and positive overall effect. Basically, any specific information existing in consumers' minds about a brand is relevant as an image element (Bondesson, 2012).

Brand image provide several benefits to firms in today's fiercely competitive markets. Petek and Ruzzier (2013, as cited in Ateke & Nwulu, 2017) states that strong brands inform consumers' willingness to attend to additional communications from the brand, process these communications more favourably and recall the communication or their accompanying cognitive or affective reactions easily. In addition, brand image is noted (a) as invaluable as the battle for customers intensifies daily; (b) as the foundation marketing communication that firms cannot ignore; (c) to promote recognition, as people tend to do business with or patronage companies they are familiar with, that are consistent and easy to recognize (d) help in distinguishing a firm from the competition, as it critical to stand out of the crowd in today's global market; (e) to image tells people about the DNA of a business, as the full brand experience, from visual elements like logo to the way calls are answered, tell customers about the kind of company that they deal with; (f) to provide motivation and direction for the staff, as clear brand strategy provides the clarity that staff needs to be successful, telling them how to act, how to win, and how to meet the organization's goals; and (g) to generate referrals. People love to tell others about the brands they like. People wear brands, eat brands, listen to brands, and they're constantly telling others about the brands they love. On the flip side, you can't tell someone about a brand you can't remember.

Brand image has many facets. Ateke et al. (2015) observes that several indicators have been put forward by different scholars, as aspects of brand image. In this study however, brand identity, brand awareness and brand reputation are adopted as dimensions of brand image.

**Brand identity:** Brand identity is a key element in branding and core element of a successful brand is to perceive how the brand identity is created and developed. Creating a sustainable image in the minds of customers requires brand identity. It is an issue of brand management and as the brand continues to expand and diversify customer are now faced with different brand names and a product without a value in the marketplace will be defeated. Vaesen (2018) noted that the strongest brand identities are instantly recognizable and also convey a message about a business. For instance large companies like Apple, Coca Cola, Nike, etc. spend millions of dollars, pounds and euros every year to promote and develop their brands, because they know it directly affects their sales and market share.

**Brand awareness:** Brand awareness is the customer's ability to recall basic attribute of a brand. For instance the customer's knowledge on a particular product will create product demand. This is important because with awareness, a customer can search for company's name that a product is needed. Brand recall implies that consumers see a product category, they can recall a brand name exactly, and brand recognition means consumer has the ability to identify a brand when there is a brand cue. That is, consumer can tell a brand correctly if they ever saw or heard of it. Brand awareness affects purchase decision through brand association, and when a product owns a positive brand image, it will help in marketing activities as the brand name offers a symbol that can assist consumer to identify service providers and predict service results.

Brand awareness is a basic level of brand knowledge involving at least, recognition of the brand name (Hoyer & Brown, 1990, as cited in Ateke et al., 2015); hence, concerned with accessibility of a brand in memory, and describes how well customers and potential customers recognized the brand. Brand awareness is thus, an outcome of brand-related exposures and experiences consumers accumulate; and is strengthened by every stimulus that calls the attention of consumers to a brand (Ateke & Nwulu, 2017).

**Brand reputation:** Brand reputation is the perception of the brand and how the particular brand of the company is viewed by the customers, stakeholders, and the market as a whole. It is the culmination of

ideas and emotions that a customer associated with the brand with the customer service experienced during the purchase of goods and services, whilst using them, and after-sales services provided by the company. A favorable brand reputation signifies that the customer lays his or her trust in the brand and its offerings and feels good and takes pride in purchasing the good and services. Brand reputation is thus a subjective evaluative judgment about high economic or social value consumers accord a brand (Ateke et al., 2015).

# **Concept of Customer Patronage**

Firms crave customers' patronage because patronage is the bedrock of the continued existence and success of a business (Nwiepe & Ateke, 2016). Firms are thus always challenged to contrive initiatives that elicit customers' patronage. It has also been established that caring for current customers is key to securing their continued patronage. Consumers make decisions daily. Sometimes less thought is given to the decision making process, nonetheless, every decision is affected by basic rational and emotional states of being. Consumers initiate and conclude purchase based on the perceived value of the products. Thus, patronage is influenced by psychological principles developed to harness an understanding of needs.

Customer patronage is a combination of psychological factors that influence purchase behavior and these factors are considered important by consumers as yardsticks in determining which firm to patronize. It has been measured by various authors in different dimensions, including store traffic flow; willingness, word of mouth, repeat purchase, customer retention and customer referrals, customer satisfaction and referrals. Today's highly competitive environment require firms to focus primarily on customer satisfaction, if they seek to win and retain customers' patronage (Nwulu & Asiegbu, 2015).

Babin and Darden (1996, as cited in Nwiepe & Ateke, 2016) identified terminal values, lifestyles, social class, and media habits as antecedents to patronage. Engel et al. (1995, as cited in Nwiepe & Ateke, 2016) states that consumer patronage may be viewed from three perspectives: unplanned buying, partially planned buying and fully planned buying; while Nwulu and Asiegbu (2015) suggest that patronage behaviour could be measured through patronage intention, patronage action and repeat patronage. In this study however, we take a one-dimensional view of customer patronage.

## **Brand Image and Customer Patronage**

Customer patronage has been argued to ensue from several personal and social factors. Studies also show that media, product and brand related factors account for customer patronage. A study by Ibok and Etuk (2015) which examined the relationship between brand identity and loyalty of customers of telecommunication firms in Nigeria showed that brand identity had a significant positive relationship with customers' loyalty towards Nigerian telecommunications companies. Similarly, Adiele and Opara (2014) examined the association between corporate image and customer patronage of Nigerian commercial banks. The study found that brand identity had a significant positive relationship with customer patronage of commercial banks.

Relatedly, Bozkurt (2017) examined the relationship between brand reputation and customers' loyalty towards hotels in Turkey; and reported that brand reputation had a significant positive relationship with customers' loyalty towards hotels in Turkey. Also, Tandoh (2015) assessed the effect of brand awareness on customer loyalty towards Ghanaian commercial banks. The findings revealed that brand awareness had a significant effect on customer patronage of financial services.

In addition, Zhao et al. (2017) assessed the influence of brand awareness on brand loyalty in China. The study employed a questionnaire to elicit primary data from 208 customers, and analyzed same using descriptive statistics, correlation analysis and hierarchical regression. The study revealed that brand awareness had a significant positive influence on brand loyalty.

Furthermore, Ardigó and Limberger (2020) investigated the association between brand reputation and customers' loyalty towards retail pharmaceutical companies in Brazil. The study used a structured questionnaire to collect primary data from 469 customers in Balneário Camboriú, Brazil, while data analysis was done using descriptive statistics and multivariate regression. The study revealed that brand reputation had significant positive influence on brand loyalty.

In other studies, Ateke and Nwulu (2017) examined the link between brand communication and brand awareness (brand communication is a tool, and an essential exercise in building brand image). The study utilized data collected from 354 customers of deposit money banks to gauge how their exposure to marketing communication from banks enhance their awareness of those banks. The study reported that brand communication strongly relates to brand awareness in terms of brand recognition, brand recall and brand distinction.

Following from the foregoing reports and arguments of prior studies, the following hypotheses are formulated to guide the current study:

- Ho<sub>1</sub>: Brand identity have no significant effect on customers' patronage of petroleum products in Calabar Metropolis.
- Ho<sub>2</sub>: Brand awareness have no significant effect on customers' patronage of petroleum products in Calabar Metropolis.
- H0<sub>3</sub>: Brand reputation have no significant effect on customers' patronage of petroleum products in Calabar Metropolis.

#### METHODOLOGY

This study adopted a survey research design to obtain relevant data from respondents from patrons of petroleum marketing companies on brand image and customer patronage of petroleum products in Calabar Metropolis. A sample size of 143 respondents (customers) was drawn from petroleum filling station in Calabar Metropolis, using Topman formula, while purposive sampling technique was employed to administer the instrument. Data collection instrument was a 5-point Likert scale questionnaire divided into two sections. Section "A" cover bio-data of respondents, while section "B" contained statements relating to proxies of the independent (brand image) and the dependent variable (customer patronage) of the study. The instrument was subjected to appropriate validity and reliability procedures. The multiple regression statistic served as data analyses technique. The decision criteria adopted in the data analyses was: accept null hypothesis if (P < .05) and reject the null hypothesis, if otherwise.

#### RESULTS AND INTERPRETATION

Table 1: Model summary of effect of brand image on customer patronage of petroleum products

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.692a	.479	.468	.61612

a. Predictors: (Constant), Brand identity, brand awareness, brand reputation

Source: Author's computation via SPSS (2022)

Table 2: ANOVA <sup>a</sup> of effect of brand image on customer patronage of petroleum products							
Mod	del	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	48.581	3	16.194	42.659	.000 <sup>b</sup>	
	Residual	52.765	139	.380			
	Total	101.347	142				

a. Dependent Variable: Customer patronage

b. Predictors: (Constant), Brand identity, brand awareness, brand reputation

Source: Author's computation via SPSS (2022)

Table 3: Coefficients<sup>a</sup> of the effect of brand image on customer patronage of petroleum products

		Unstandardized		Standardized		
		Coefficients		Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	770	.442		1.741	.004
	Brand identity	.265	.101	.171	2.615	.010
	Brand awareness	.538	.109	.348	4.918	.000
	Brand reputation	.459	.085	.372	5.376	.000

a. Dependent Variable: Customer patronage

Source: Author's computation via SPSS (2022)

Tables 1, 2 and 3 present the multiple regression results of the effect of brand image on customers' patronage of petroleum products. The correlation coefficient (R = 0.692) in Table 1 indicates that brand image relates to customers' patronage of petroleum products by 69.2 per cent; which is a very high degree of relationship. The R-square value ( $R^2 = 0.479$ ) in Table 1 indicates that about 47.9 per cent of variation in customers' patronage of petroleum products is attributable to brand image. This entails that brand image has a 47.9 per cent influence on customers' patronage of petroleum products, if other factors remain unchanged. The F-statistic = 42.659; and p-value = 0.000 < 0.05 as presented in Table 2 confirms that brand image has statistically significant effect on customers' patronage of petroleum products.

Furthermore, the results presented in Table 3 reveal that all the dimensions of brand image (brand identity, brand awareness and brand reputation) have significant positive effects on customers' patronage of petroleum products because their p-values were less than the error margin of 0.05 with positive t-test values [brand identity (p-value = 0.010; t-value = 2.615); brand awareness (p-value = 0.010; t-value = 4.918); and brand reputation (p-value = 0.000; t-value = 5.376). Similarly, judging by the results in standardized coefficients section of Table 3, it can be seen that brand reputation has the highest significant influence on customers' patronage of petroleum products ( $\beta$  = 0.372 or 37.2 per cent). Brand awareness had the second-highest significant influence on customers' patronage of petroleum products ( $\beta$  = 0.348 or 34.8 per cent), while brand identity had the least influence on customers' patronage of petroleum products ( $\beta$  = 0.171 or 17.1 per cent).

### **DISCUSSION OF FINDINGS**

Based on the results of the multiple regression analysis done, it was revealed that brand identity has a significant positive effect on customers' patronage of petroleum products. This finding is consistent with the findings of Ibok and Etuk (2015) that brand identity has a significant positive relationship with customers' loyalty. The finding is also support that of Adiele and Opara (2014) that brand identity had a significant positive relationship with customer patronage of commercial banks. The implication of this finding is that brand identity is an essential component of overall brand image that has the capacity to substantially enhance customers' patronage of companies' products.

The study also found that brand awareness has a significant positive effect on customers' patronage of petroleum products. This finding is consistent with report that brand awareness had a significant effect on customer patronage of financial services (Tandoh, 2015). The finding also corroborates the position of Zhao et al. (2017) that brand awareness had a significant positive influence on brand loyalty. The implication of this finding is that brand awareness is an essential component of overall brand image that has the capacity to substantially enhance customers' patronage of companies' products.

Furthermore, it was revealed that brand reputation has a significant positive effect on customers' patronage of petroleum products. This finding corresponds to the report of Pereira et al. (2020) that brand reputation (knowledge level, familiarity and popularity) had significant positive influences on brand loyalty. The finding is also backed by the report that brand reputation had a significant positive relationship with loyalty (Bozkurt, 2017). This finding also implies that brand reputation is an essential component of overall brand image that has the capacity to substantially enhance customers' patronage of companies' products and services.

### CONCLUSION AND RECOMMENDATIONS

It is evident that brand image is achieved through customer recognition of the company's brand identity, brand awareness and brand reputation as factors that influence customer patronage of petroleum products in Calabar Metropolis. The need for acceptable brand image makes firms to direct efforts in gaining customers loyalty in the market. Hence, brand aid to identify the source or maker of a product and allow consumers, either individuals or organizations to assign responsibility for its performance to a particular manufacturer or distributor. It has helped consumers to evaluate identical product differently depending on how it is branded.

In view of the results of the statistical analyses conducted and the extent of their consistency with reports and argument of previous studies, the current study concludes that brand image strongly affects customers' patronage of petroleum products in Calabar Metropolis; and that customers' patronage of petroleum products in Calabar Metropolis depends on image of brand of petroleum products dealerships. The study thus recommends that:

- 1. Brand identity should be continuously used to provide attractive identity which would give the company competitive advantage when differentiated from competitors in the petroleum market. Management of the petroleum products marketing firms should allocate resources for extensive promotion to motivate customers to choose their brand over those of competitors.
- 2. Companies should continuously use brand awareness to influence purchasing decision and helps the company to overcome their competitors as consumer purchase products and brands Regular advertisement should be used to ensure that customers have adequate knowledge of the company's brand and have the brand's presence in minds for continuous patronage
- 3. Positive brand reputation should be a priority of the company's profitability and of quality acceptance to attract, satisfy and increase customer confidence for their products. The management of petroleum products should engage in building and maintaining reputation as tool for increasing revenue, attracting new customer and retaining them for patronage

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