



ISSN: 2465 - 7417

ILORIN Journal of Marketing

(IJM) Volume 7, No 1, 2021

A Publication of
Department of Marketing,
Faculty of Management Sciences,
University of Ilorin, Ilorin, Nigeria.
E-mail: ijm@unilorin.edu.ng
www.unilorin.edu.ng

Editorial Advisory Board Members

- Prof. M. A. Ijaiya:** Dean, Faculty of Management Sciences, University of Ilorin, Ilorin, Nigeria.
- Prof. J. O. Olujide:** Department of Business Administration, University of Ilorin, Ilorin, Nigeria.
- Prof (Mrs.) S. L. Adeyemi:** Department of Business Administration, University of Ilorin, Ilorin, Nigeria.
- Prof. J. J. Adedira:** Dept. of Accounting, Faculty of Management Sciences, University of Maiduguri, Borno State, Nigeria
- Prof. E. O. Oyatoye:** Dept. of Business Administration, University of Lagos, Nigeria.
- Prof. Dauda Adbulsalam:** Department of Business Administration, Faculty of Management Sciences, Usmanu Danfodiyo University, Sokoto, Sokoto State, Nigeria.
- Prof. S. A. Adebola:** Department of Business Administration & Marketing, Babcock University, Ilesha Remo, Ogun State, Nigeria.
- Prof. E. O. Oni:** Department of Entrepreneurship and Business Studies, Federal University of Technology, Minna, Niger State, Nigeria.
- Prof. M. Samaila:** Department of Marketing, School of Management Sciences, National Open University of Nigeria (NOUN), Lagos, Nigeria.
- Prof B. A. S. Muhammad:** Department of Accounting, Faculty of Management Sciences, Usmanu Danfodiyo University, Sokoto, Sokoto State, Nigeria.
- Prof. F. O. Boachie-Mensah :** Department of Marketing & Supply Admin Management, University of Cape Coast, Ghana.
- Prof. O. J. Oyeniya:** Department of Marketing , Lagos State University, Ojo, Lagos, Nigeria.
- Prof. R. Boohene:** Centre for Entrepreneurship and Small Enterprise Development, University of Cape coast, Ghana.
- Dr. Olugboyega Oyeranti:** Department of Marketing & Consumer Studies, University of Ibadan, Nigeria.
- Dr. Abimbola Oyinlola:** Department of Marketing & Consumer Studies, University of Ibadan, Nigeria.
- Dr. A. A. Adewale:** International Islamic University, Malaysia.
- Dr. A. Medupin:** Acting Dean, College of Management Sciences, Al-Hikmah University, Ilorin, Kwara State, Nigeria.
- Dr. I. F. Asiegbu:** Department of Marketing, University of Port Harcourt, Nigeria.
- Dr. C. N. Ogbuji** Department of Marketing, University of Port Harcourt, Nigeria
- Dr. Afees O. Yusuf:** Department of International Management and Innovation, Middlesex University Business School, Middlesex University London.
- Dr. Isa AbdulRaheem:** Department of Business and Entrepreneurship, Kwara State University, Malete, Kwara State , Nigeria.

Volume 7, Number 1, 2021

Contents	Pages
Perceived Behavioural Control and Online Shopping Behaviour: Mediating Effect of Purchase Intention <i>Yakaka GAMAMA, Bintu MUSTAPHA PhD., Solomon BALAMI</i>	1
Moderating Effect of Product Attributes and Consumers' Experience: Opinion Poll of Online Shoppers In Nigeria <i>OMOLEKAN, Olushola Joshua (PhD)</i>	15
The Roles of Youths and Social Media Marketing in the Consumption of Nutrition Information Abia State, Nigeria <i>'Oteh, O. U., 'Obasi, R. O., 'Uzokwe, C., 'Nto, C. P. O., and 'Uwasomba, C.</i>	31
Shea Butter Production and Marketing Efficiency in Kwara State, Nigeria <i>Amusa, T.O* and Abdul, A.M.</i>	45
Effect of Product Packaging Elements on Purchase Behaviour of Kaduna Polytechnic Students, Kaduna State <i>ADAMU, Micah Gumus, ALIYU, Sadiya, ABDULHAMID, A. Aishatu YAHAYA, Yauri Hafsat</i>	61
Impact of Productivity Training Programmes on the Performance of Civil Servants in Kwara State <i>WOLI-JIMOH, Ibrahim Ayodeji, SAKA, Taofiq Alao</i>	77
Consumer Preference Of The Powdered Egg In Ilorin Metropolis <i>Ayinde, O. E.; Adetayo; S. O. and Akanbi, S. O</i>	95
✓ Customer Reference Marketing and its Implication on Patronage in Global Oil, Ilorin, Kwara State, Nigeria <i>MUSTAPHA, Yusuf Ismaila Ph.D., Prof. GBADEYAN, Rotimi Ayodele and OLOWO, Ahmed AbdulGaniyu</i>	108
Business Incubation Programme and Performance of Startups in Kwara State, Nigeria <i>JENYO Bola Olufunke, SALAU Abdulazeez Alhaji, JENYO Morufu Babatunde</i>	124
Marketing Planning and Resources Management: A Panacea for Improving Socio- Economic Development in Nigeria <i>OGAH, Arome Victor Ph.D., ALUKO, Prisca Enovwo MEDEYESE, Olanike Olayinka</i>	136
Influence of Innovative Marketing Strategy on Non-financial Performance of Selected Manufacturing Companies in Lagos State, Nigeria <i>ADENUGA, Johnson Oladimeji, ORE, Oluwatoyin Stephen, SODIQ, Kamaldeen Oladimeji</i>	147

CUSTOMER REFERENCE MARKETING AND ITS IMPLICATION ON PATRONAGE IN GLOBAL OIL, ILORIN, KWARA STATE, NIGERIA

MUSTAPHA, Yusuf Ismaila¹ Ph.D., Prof. GBADEYAN, Rotimi Ayodele¹ and
OLOWO, Ahmed AbdulGaniyu¹

^{1,2,3}Department of Marketing, University of Ilorin, Ilorin.
Corresponding Author: senolowo@gmail.com

Abstract

The petroleum motor spirit (PMS) market in Nigeria and by extension in Ilorin metropolis is highly competitive because of the activities of various independent and major marketers who have found the market appealing and profitable. The nature of the product had made these marketers take extra efforts to ensure that existing customers are satisfied and retained through various strategies such as accurate fuel dispensing machines, good customer relations, and physical evidence. It is against this backdrop that the study examined customers reference marketing and its implication on the patronage in Orange Global Oil, Ilorin. This study employed a descriptive research design with a structured questionnaire administered on the two hundred and fifty (250) customers (private and commercial car and motorbike owners) who were randomly selected. Regression analysis was employed to test the hypotheses and the results showed $r = 0.785$ and $r = 0.932$ for hypotheses one and two respectively where $P = 0.000 < 0.05$ for all variables analysed. The findings show that customer reference marketing through variables such as offering complex-based referral and innovativeness-based referral had significant influence on the level of customers' patronage of Orange Global Oil services. This study recommends that Orange Global Oil Limited should provide an efficient offering complex-based element such as the number of functions designed into a product, product standardization, newness of application, and desired amount of after-sales service via cold-calling.

Keywords: Customer Reference Marketing, Complex-based Referral, Innovativeness-based Referral

1.0 INTRODUCTION

The recent surge in the number of fuel stations built across Ilorin metropolis results from the fact that most independent and major marketers have found petroleum motor spirit (PMS) market in Nigeria appealing and profitable. The potential petroleum motor spirit (PMS) market have attracted more investors into the business

that some structures meant for residential purposes have been sold out to key players in the petroleum motor spirit business who pay a higher amount to secure the land for this thriving business. Constructing fuel stations is germane for profit-making and the location must be strategic, design a template targeted at increasing number of patronages to the fuel stations.

Customers nowadays have full information about what they want and it takes a smart marketer to woo them to buy their products. Business activities today are centred on moving from product philosophy to customer-driven philosophy (Shaw, 2011). Formulating a strategy to increase customer's patronage is becoming more difficult because, in recent time, customers are becoming increasingly sophisticated, educated and well informed about their product choices with high expectations from the value attached to the products. Customers expect greater choice and will not be 'sold to' or manipulated by misleading campaigns by marketers, hence, nowadays, customers are willing to be treated as a king, valued and expect their needs, customs and value system are represented in product offerings. Therefore, today organisations constantly strive for the higher level of customer services (Cook, 2002).

According to Jobber and Ellis-Chadwick (2012) reference is used to indicate a group of people that influences an individuals' attitude or behaviour. Where a product is conspicuous for example, clothing or cars the brand or model was chosen may have been strongly influenced by what buyers perceive as acceptable to their reference group. This group may consist of colleagues in working place, friends, club members and family members. Some reference groups may be formal while others may be informal. This study is in line with the opinion of Jobber on reference marketing, where petroleum motor spirit customers are keenly studied in a way they are treated by the fuel attendants which in turn have a greater impact on numbers of patronage to the fuel stations and increase their revenue. Many firms, particularly in business-to-customers (B2C) markets, use existing customer relationships as references to encourage the adoption of new customers and to facilitate sales and marketing. Customer references lend credibility to companies' value propositions and are important in reducing the perceived risk of target customers (Kumar, Petersen, & Leone, 2013; Möller & Salminen, 2006). Although numerous studies in various areas of marketing, including customer relationship management (Payne & Frow, 2005; Reinartz, Krafft, & Hoyer, 2004), customer value management and selling (Terho, Haas, Eggert & Ulaga, 2012; Anderson, Narus, & Van Rossum, 2006), and marketing communications (Ballantyne, Varey, & Payne, 2010), have noted the importance of reference marketing in the modern business operations and activities. Most studies highlight the need to study the use of reference marketing and its effects on organizational performance more systematically (Kumar, Petersen, & Leone,

2013; Anderson & Wynstra, 2010).

Reference marketing has long played an important role in the area of process technology in the form of reference visits to existing customers' sites and reference lists accompanying the offer. Today, the practices related to reference marketing are more diverse as many suppliers use the Internet as a communication channel to reach their target audience. Moreover, players in the information technology and communications industry have realized that testimonials and demonstrations from existing customers can be used as convincing and cost-effective marketing instruments. Consequently, reference marketing has become an increasingly relevant part of the marketing strategy among companies operating in business-to-business and business-to-customer technology (Jalkala & Salminen, 2010).

Marketing managers encourage their business customers or individual customers to partake in various reference activities ranging from being interrogated for customer experience or video declaration to hosting a reference visit or talking at an industry event. For example, many business owners give out a simple survey form to be filled in appraising their products, recruits its customers for its reference activities by offering them visibility and an opportunity to be highlighted as a 'Best-Run Business' (Jalkala & Salminen, 2010). Concepts such as "customer advocacy marketing", "customer evidence marketing", "customer testimonial marketing" and "customer reference marketing" often overlap and are used among B-to-B marketing practitioners to refer to the phenomenon of leveraging existing customers and the value delivered to them in the company's marketing activities (Jalkala & Salminen, 2010). The industry contributed some health hazards to the community due to its proximity to residential areas and the statutory authorities have not been done enough to mitigate this danger. More so, this study constitutes a virgin territory and white spot on the knowledge map especially in Africa as most previous studies are carried out in the developed nations. The main objective of this study is to assess if reference marketing affects customer patronage in Orange global Oil Limited, Tanke, Ilorin, Kwara State. The specific objectives are to determine the effect of offerings-complexity based referral on customer patronage; and to evaluate how innovativeness-based referral affect customer patronage in Orange global Oil Limited, Tanke, Ilorin, Kwara State

2.0 LITERATURE REVIEW

The Nature of Customer Reference Marketing

According to Sawhney and Zabin, (2002) reference marketing could be considered a way of leveraging and capturing benefits from customer relationships by using customer relationships and delivered customer solutions in the company's marketing

efforts. The practices of customer reference marketing could be categorized as *external* and *internal* (Salminen & Möller, 2006). In the former case, the supplier signals references to potential buyers and other stakeholders. In the latter, the supplier uses customer reference internally through various practices, such as internal success stories, fliers, photo gallery about past awards and the use of a customer-reference database to gain internal outcomes, such as salesforce training and better targeting of bidding efforts (Salminen & Möller, 2006). Prior researches on customer references have identified two different levels, the relationship level and the delivery level (Salminen, 1999).

Firstly, organizations use their *relationship* with the reference customer as a marketing tool through displaying the name of the customer on the company Web site, for example. Thus, on the relationship level, it is a question of the benefits the supplier gains from being connected with the reference customer. Relationships with big and prestigious loyal customers may have particularly high reference value to an industrial supplier (Walter, Ritter & Gemünden, 2001). *Next*, throughout the existence of a customer relationship, there may be several solutions referring to individual projects or deliveries that could be used as 'reference solutions', 'reference projects' or 'reference deliveries'. The importance of these value-creation activities in terms of customer reference marketing is evident in official procurement procedures in which the supplier's past performance is evaluated through "the list of works carried out", "previous projects" or "delivered customer solutions" (Salminen, 1999). Incorporating both of these levels, we describe the concept of reference marketing as a customer relationship and the related value-creation events that a firm control externally or internally in its marketing efforts.

Theoretical Framework

Social Exchange Theory

Blau (1964) contended that the benefit of having reliable reference customers could thus be traced back to social-exchange theory, according to which actors' reputations are constructed in part from the identities of their associates. According to network theorists, relationships implicitly transfer status between the parties involved (Stuart, Hoang & Hybels, 1999). These network theorists describe three possible social mechanisms that may explain the status-transfer process. *Firstly*, relationships have common influences on the reputations of actor. Accordingly, the reference customer's reputation may be damaged if the supplier is of very low quality. Given this possibility, the high-status customer has a strong incentive to avoid low-quality exchange partners and to be exclusive in its customer selection, which in turn positively affects the potential customer's perception of the quality of the supplier. *Secondly*, the evaluative capabilities of well-known organisations are perceived to be

strong, and there is a presumption that prestigious organisations evaluate their suppliers comprehensively. Because prominent organisations are viewed as experts in the due diligence process the fact that one of them has selected a particular supplier is a valuable signal to other customers. *Thirdly*, relationships with prominent organisations signal reliability. These mechanisms may partly explain the advantage that infant companies gain from having and leveraging prestigious customers as references. Recognized exchange partners are especially important to young companies because they signal the endorsement of a reputable, credible organisation (Stuart, Hoang & Hybels, 1999; Podolny, 1993). Customer reference marketing can help in terms of overcoming the liability of newness (Lechner & Dowling, 2003; Stinchcombe, 1965). Podolny (1993) contended that customer reference marketing drives a progressive status-enhancing signal when the seller is connected and having a relationship with a reliable customer. Hence, a reference list includes high-status customers shows a signal to the market and to other firms that the supplier is a worthwhile companion because it has the confidence of the industry stakeholders. Customer reference marketing, such as reference calls, site visits, and user meetings, involve personal interaction and word-of-mouth between customers, and can thus be only partially managed.

Originally, stemming from the consumer-marketing context, word-of-mouth behaviour has also been studied to some extent in the context of industrial markets (Hansen, Samuelsen & Silseth., 2008; Money, 2004; Money, Gilly & Graham, 1998; Martilla, 1971; Webster, 1970). However, as the concept by explanation refers to informal information exchange among individuals (Westbrook, 1987), it does not make available tools to explain all the aspects of supplier-initiated customer reference marketing, because it does not include the supplier's own influence on the process or the status transfer effects of a strong reference-customer portfolio described above. However, word-of-mouth does have an important function as it is considered a credible source of communication (Reichheld & Sasser 1990), and several practices of customer reference marketing, such as reference visits encourage positive word-of-mouth behaviour (Salminen, 2001).

Theory of Social Identity Theory

Social identity theory suggests that an organization can change individual behaviours if it can change their self-identity or some of their self-concept that derives from the knowledge of, and emotional attachment to the group they associate with. It was propounded by social psychologists Tajfel and Turner in the 1970s and 1980s. This theory proposes that individual develop a social self that is connected to the group (Ashforth & Mael, 1989).

However, this study adopted the social exchange theory for its robustness and well-suited in terms of applicability and implementation.

Empirical Review

Stahl, Heitmann, Lehmann and Neslin (2012) investigated the relationship between brand equity and customer acquisition, retention and profit margin which are the major components of customer lifetime value (CLV). They hypothesized and find that brand asset valuator is significantly associated with the components of customer lifetime value in expected meaningful ways. Their findings suggested that the soft and hard sides of marketing need to be thoroughly planned, implemented and executed in a well-coordinated order. Reinartz, Thomas and Kumar (2005) examined balancing acquisition and retention resources to maximize customer profitability. Several drivers of customer profitability were investigated and they derived some implications for resource allocations to customers and those that may likely buy in future. Their findings reveal that if the firm initiates the contact, the relative effectiveness of highly interpersonal and interactive communication channels is greater than that of less interpersonal and interactive communication channels. They concluded that under spending is more detrimental and result in smaller return on investments than overspending. When the firms tradeoff between expenditures for acquisition and those for retention, a suboptimal allocation of retention expenditures will have a greater impact on long-term customer profitability than will suboptimal acquisition expenditures.

Strategic Tools for Achieving Reference Marketing

Essays (2018) identifies the following as key strategic tools in achieving reference marketing: competence, communication and handling of conflicts.

Competence: Organisations representative dealing directly with customers need to be versatile and understand the company's product and culture. Competence is a key marketing variable is supported by the underlying principle that customers tend to value and build a relationship with a competent and reliable company. This competence may be the result of knowledge, technical, intelligent, problems solver, and social skills exhibited by the company representative. Operationalising competence in this context is defined as the customer's perception of the company's product and the value attached to it.

Communications: Communications solution involving elements of the promotion mix allows a firm to effectively create and develop relationships with customers. It is the exchange of information between the seller and buyer to ensure timely and trustworthy information that exist between the

parties. Recently, communications are seen as an interactive medium between the company and its customers that takes place during the first phase pre-selling, selling and post selling, and customer's stage consuming and post-consuming selling, stages. Besides providing the timely and trustworthy information, effective communication gives the wheel of trust and mutual understanding. When there is active communication between the sellers and customers, a better relationship, customer satisfaction, and fidelity are likely to be achieved (Essays,2018).

Conflict Handling: This simply refers to the manager's ability to reduce the negative consequences of manifest and potential conflicts in every organisation. Conflict handling explains the manager's capacity to avoid potential conflicts and solve manifest conflicts before they create problems, as well as the ability to openly discuss likely solutions as problems arise. The ability of the organisation to handle conflict well will determine customer satisfaction and loyalty (Ndubisi, 2009). Most often, conflict ensued between the customer and the fuel attendant when the former feels the sharp practices from the side of the latter. It is the sole responsibility of the manager to ensure fuel attendants are giving all necessary training on exceptional customer services and educate them about the organizational culture.

3.0 METHODOLOGY

This study is a cross-sectional research design using a descriptive method to explain customer reference marketing as a tool for increased customer patronage in Orange-Global Oil, Limited Tanke, Ilorin, Kwara State.

The study used a hypothetical population of over 50,000 customers patronage of orange global and Oil branches(Salesrecord, 2019) and the Cochran formula (1977) was used to determine the sample size of 260 respondents, simple random sampling technique was employed for its simplicity in application since the customers have just a few minutes to buy the petroleum motor spirit and leave the station so the randomization was based on the customer buying fuel at the station in every visit by the researchers. A total of two hundred and sixty (260) copies of questionnaire were sent out and two hundred and fifty (250) copies of usable questionnaires were properly filled and returned. This represents 96% response rate and this is considered satisfactory and adequate for the study.

Study Hypotheses

H₀₁: There is no significant relationship between offerings-complexity based referral and customer patronage of petroleum motor spirit.

H₀₂: There is no significant relationship between innovativeness-based referral and customer patronage of petroleum motor spirit

Sample size Calculation

$$SS = \frac{Z^2 \times P \times (1-P)}{C^2}$$

Where;

SS = Required Sample Size

Z = Value (e.g., 1.645 for 90% confidence level)

P = Percentage of Population picking a choice, expressed as decimal in this case (0.6)

C = Confidence Interval expressed as decimal (e.g., 0.5 = +/- 5percent points)

$$SS = \frac{1.645^2 \times 0.6(1-0.6)}{0.05^2}$$

$$SS = \frac{2.706025 \times 0.6(0.4)}{0.0025}$$

$$SS = \frac{2.706025 \times 0.24}{0.0025}$$

$$SS = \frac{0.649446}{0.0025} = 259.7784$$

$$SS = 260 \text{ respondents}$$

4.0 ANALYSIS AND PRESENTATION OF RESULTS

Table 1: Descriptive analysis of Demographic Data

Variables		Percentage
Gender:	Male	134 (53.7%)
	Female	116 (46.3%)
	Total	250
Age:	18+	21 (8.6%)
	21 – 30years of age	131 (52.2%)
	31 – 40years of age	77 (30.8%)
	41 – 50years of age	18 (7.2%)
	51 – above	3 (1.2%)
	Total	250
Educational Qualification:	SSCE	82 (32.6%)
	OND/NCE	56 (22.2%)
	HND/B.Sc./M.Sc.	100 (40.3%)
	Ph.D.	12 (4.9%)
	Total	250
Marital Status:	Single	130 (52.02%)
	Married	117 (46.58%)
	Divorced	3 (1.4%)
	Total	250
Occupation:	Student	53 (21.16%)
	Trader	31 (12.56%)
	Self-employed	57 (22.58%)
	Civil servant	109 (43.7%)
	Total	250

Source: Researcher's Field Survey, 2019.

From the demographic table above, five major variables were considered viz gender, age, educational qualification, marital status and occupation. The description shows that 53.7% of the respondents are male while 46.3% are female and this is true of the general believe that male-owned the cars and bear the cost of fueling it (KWAREVE, October, 2019). Also, 8.6% of the total respondents are 18 (+) of age, 52.2% are between 21-30years of age, 30.8% are between the ages of 31-40, 7.2% are between 41-50years of age, while 1.2% are 51years of age and above. The higher proportion of 52.2% with age brackets 21- 30years was as a result of the status in the society, they are termed young adult in possession of physical and mental balance. For the education level, the highest percentage was SSCE with 32.6while others are

OND/NCE 22.2%, HND/B.Sc./M.Sc. 40.3% , Ph.D. 4.9% respectively, The location under investigation comprises of civil servant and working class whose higher educational qualification revealed as first degree. The marital status is shown in the table 52.02% are singles, 46.58% are married while the divorced percentage stands at 1.4% and the study disclosed that most single men and women consume more petroleum motor spirit with the assumption that these people have lesser family responsibilities ranging from buying babies clothes, pampers and payment of tuition fees and other domestic utilities bills. Lastly for the occupation, civil servants have the highest percentage with 43.7%, 12.56% are traders, the self-employed 22.58% while students are 21.16% and this is supported from the earlier findings reveal in the study that major occupants in the location under study were civil servants.

4.1 Test of Hypotheses

H₀₁ There is no significant relationship between offerings-complexity based referral and customer patronage of petroleum motor spirit.

Table 2 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.785 ^a	.616	.613	.819
a. Predictors: (Constant), Offerings-complexity based referral				

Source: SPSS version16.0, 2019

From the above table 2 the analysis reveals model summary (r) 0.785 (i.e. $r = 0.785$) which implies for a single change in offerings-complexity based referral there will be 78.5% increase in the number of customers patronage to the Orange Global Oil, Limited and concert effort should be in place to sustain this by the company.

Table 3: ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	267.839	1	133.919	199.526	.000 ^b
	Residual	167.125	239	.671		
	Total	434.964	240			
a. Dependent Variable: Customer Patronage						
b. Predictors: (Constant), Offerings- complexity based referral						

Source: SPSS version16.0, 2019

From the above table 3 the ANOVA table shows F-statistics of 199.526 and thus, significant since the probability value of .000 is less than the alpha level of 0.05 and this makes the model fit hence the null hypothesis is rejected and alternative hypothesis accepted that there is a relationship between offerings-complex based referral and customer patronage.

Table 4: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.107	.177		.605	.546
	Product standardization	.497	.067	.442	7.389	.000

a. Dependent Variable: Customer Patronage

Source: SPSS version 16.0, 2019.

From the above table 4(iii) the probability and [t-statistics] value of .000 and [7.389] further suggests that there is a moderate relationship between offerings-complexity based referral (product standardization) and customer patronage by implications, the organization under study strictly complied with the department of petroleum resources (DPR) regulations.

H₀₂ There is no significant relationship between innovativeness-based referral and customer patronage of petroleum motor spirit.

Table 5: Model Summary

Model	R	R Square	Adjusted Square	Std. Error of the Estimate
1	.932 ^a	.869	.866	.520

a. Predictors: (Constant), innovativeness-based referral

Source: SPSS version 16.0, 2019

From the above table (iv), the analysis reveals model summary (r) 0.932 (i.e. $r = 0.932$) which implies for a single change in innovativeness based referral there will be 93.2% increase in the number of customers patronage to Orange Global Oil Limited.

Table 6 ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	442.049	4	88.410	326.547	.000 ^b
	Residual	66.602	57	.271		
	Total	508.651	61			
a. Dependent Variable: Customer Patronage						
b. Predictors: (Constant), Innovativeness-based referral						

Source: SPSS version 16.0, 2019

The ANOVA table shows F-statistics of 326.547 and therefore, significant since the probability value of .000 is less than the alpha level of 0.05 and this makes the model fit. Hence, the null hypothesis is rejected and the alternative hypothesis accepted that there is a relationship between innovativeness-based referral and customer patronage of Orange Global Oil, Limited.

Table 7: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.094	.089		1.055	.000
	Automated Billing	.619	.059	.307	5.447	.000
	Automated fuel dispensing machine	.730	.050	.129	2.623	.009
a. Dependent Variable: Customer Patronage						

Source: SPSS version 16.0, 2019

From the table (vi) above the probability and [t-statistics] value of .000 and [1.055] further suggests that there is positive relationship between innovativeness-based referral and customer patronage and by implication, the more modern facilities installed for example automated fuel dispensing machine, reliable point of sales devices the higher the increase in patronage to customers buying from Orange Global Oil Limited,

4.2 Discussion of findings

This study examined customer reference marketing and its implication on patronage in orange global oil and Gas, Kwara-State, Nigeria: Objective 1 analysis of the first

hypothesis revealed that the null hypothesis was rejected that is "Offering complexity- based referral has no significant effect on Customer patronage" and the alternative hypothesis was accepted. The alternative hypothesis is hereby accepted implying that offering complexity-based referral has a significant effect on customer patronage. This finding is in accord with the work of (Terho and Jalkala 2017; Stahl, Heitmann, Lehmann and Neslin, 2012) where it was discovered that product complexity has a significant effect on selling performance. Analysis of the second hypothesis revealed that the null hypothesis was rejected that is "Offering innovativeness-based referral has no significant relationship with customer patronage" and the alternative hypothesis was accepted. The alternative hypothesis is hereby accepted implying that offering innovativeness- based referral has a significant effect on consumer satisfaction. This finding agreed with the study by (Reinartz, Thomas & Kumar 2005; Terho & Jalkala 2017) whose study reveals that the "soft" and "hard" sides of marketing need to be managed and monitored in a well-coordinated order to enhance customer satisfaction.

5.0 CONCLUSION AND RECOMMENDATIONS

This study has provided insights into customer reference marketing on customer patronage in Orange Global Oil Limited. The findings of this study established that offering complexity-based referral and offering innovativeness-based referral play a pivotal role in increased customer patronage. Conclusion based on the findings reveals that the combination of these variables is significant in increasing customer patronage through an efficient dispensing machine, product standardization, and installation of new applications. Respondents are satisfied with the performance of orange global oil and gas because of the proficient knowledge of customer reference marketing that the organization builds on. Lastly, it was revealed that customer loyalty brings about customer reference. The following recommendations are made to assist orange global oil and gas to maintain and retain their market share in the PMS business and increased market growth: making their PMS business offering less complex and more flexible for customers which will in turn increase customer patronage and this was evident from the findings of this study, innovations should be introduced into their PMS business and the attitude, dressing and good reception from the attendants constantly review and make corrections where necessary

REFERENCES

- Anderson, J. C., Narus, J. A., & Van Rossum, W. (2006). Customer value propositions in business markets. *Harvard business review*, 84(3), 90.
- Anderson, J. C., & Wynstra, F. (2010). Purchasing higher-value, higher-price offerings in business markets. *Journal of Business-to-Business Marketing*, 17(1), 29-61.
- Ashforth, B. E., & Mael, F. (1989). Social identity theory and the organization. *Academy of management review*, 14(1), 20-39.
- Ballantyne, D., Frow, P., Varey, R. J., & Payne, A. (2011). Value propositions as communication practice: Taking a wider view. *Industrial Marketing Management*, 40(2), 202-210.
- Blau, P. (1964) Exchange and Power in Social Life, John Wiley & Sons Ltd, New York.
- Cochran, W. G. (1977). Sampling techniques (3rd ed.). New York: John Wiley & Sons. <https://www.quora.com/What-is-Cochrans-formula>.
- Cook, S. (2002). *Customer care excellence: How to create an effective customer* Kogan page publishers.
- Essays, UK. (November 2018). Benefits and components of Customer Relationship Management. Retrieved from
- Hansen, H., Samuelsen, B. M. & Silseth, P. R. (2008) "Customer perceived value in B-t-B service relationships: Investigating the importance of corporate reputation", *Industrial Marketing Management*, 37(2), 206-217.
- Jalkala, A., & Salminen, R.T., (2010). The Practices and Functions of Customer Reference
- Marketing – Leveraging Customer References as Marketing Assets. *Journal of Industrial Management*. p. 1-7
- Jobber, D., & Ellis-Chadwick, F. (2012). *Principles and practice of marketing* (No. 7th). McGraw-Hill Higher Education.
- Kumar, V., Petersen, J. A., & Leone, R. P. (2013). Defining, measuring, and managing business reference value. *Journal of Marketing*, 77(1), 68-86.
- Lechner, C., & Dowling, M. (2003) "Firm networks: External relationships as sources for the growth and competitiveness of entrepreneurial firms", *Entrepreneurship & Regional Development*, 15(1), 1-16. Chicago: Rand McNally: Chicago, pp. 142-193.
- Salminen, R. T., & Möller, K. (2006). Role of references in business marketing-Towards a normative theory of referencing. *Journal of Business-to-Business Marketing*, 13(1), 1-51.
- Money, R. B. (2004) "Word-of-mouth promotion and switching behavior in Japanese and American business-to-business service clients", *Journal of Business Research*, 57(3), 297-305.

- Money, R. B., Gilly, M. C. & Graham, J. L. (1998) "Explorations of national culture and word-of-mouth referral behavior in the purchase of industrial services in the United States and Japan", *Journal of Marketing*, 62 (4), 76-88.
- Payne, A., & Frow, P. (2005). A strategic framework for customer relationship management. *Journal of marketing*, 69(4), 167-176.
- Podolny, J. (1993) "A status-based model of market competition", *American Journal of Sociology*, 98 (4), 829-872.
- Reichheld, F.F. and Sasser, W.E. Jr (1990) "Zero defections: quality comes to services", *Harvard Business Review*, 68(5), 105-11.
- Reinartz, W., Krafft, M., & Hoyer, W. D. (2004). The customer relationship management process: Its measurement and impact on performance. *Journal of marketing research*, 41(3), 293-305.
- Reinartz, W., Thomas, J., & Kumar, V. (2005). Balancing Acquisition and Retention Resources to Maximize Customer Profitability. *Journal of Marketing*, 69(1), 63-79. Retrieved July 14, 2020, from www.jstor.org/stable/30162033
- Salminen, R.T. (1999) "Use of references in industrial marketing on three levels of utilization", in Delivering Value out of Bonds, Saren, M. and Tzokas, S. (Eds) Proceedings of the 7th International Colloquium in Relationship Marketing, University of Strathclyde, Scotland, 1999, 172-183.
- Salminen, R. T., & Möller, K. (2006). Role of references in business marketing—Towards a normative theory of referencing. *Journal of Business-to-Business Marketing*, 13(1), 1-52.
- Sawhney, M. & Zabin, J. (2002) "Managing and measuring relational equity in the network economy", *Academy of Marketing Science*, 30 (4), 313-333.
- Shaw, E. H. (2011). A comment on the relationship between the history of marketing thought and the development of marketing theory. *Marketing Theory*, 11(4), 491-494.
- Stahl, F., Heitmann, M., Lehmann, D., & Neslin, S. (2012). The Impact of Brand Equity on Customer Acquisition, Retention, and Profit Margin. *Journal of Marketing*, 76(4), 44-63. Retrieved July 14, 2020, from www.jstor.org/stable/41714498
- Stinchcombe AL. (1965) "Social structure and organizations", In Handbook of Organizations, March JG (ed).
- Stuart, T.E., Hoang, H., & Hybels, R. (1999) "Inter-organizational endorsements and the performance of entrepreneurial ventures", *Administrative Science Quarterly*, 44(2), 315-349.
- Tajfel, H., & Turner, J. C. (1979). An integrative theory of inter-group conflict. In W. G. Austin & S. Worchel.
- Terho, H., Haas, A., Eggert, A., & Ulaga, W. (2012). 'It's almost like taking the sales out of selling' – Towards a conceptualization of value-based selling in business markets. *Industrial Marketing Management*, 41(1), 174-185.
- Walter, A., Ritter, T., & Germünden, H.G. (2001) "Value-creation in buyer-seller

relationships: theoretical considerations and empirical results from a supplier's perspective", *Industrial Marketing Management*, 30(4) 4,365-377.

Webster, T. B. L. (1970). *The greek chorus* (p. xi). London: Methuen.

Westbrook, R. A. (1987) "Product/consumption-based affective responses and post-purchase processes", *Journal of Marketing Research*, Vol 24 No 3, pp. 258-270.