ABSTRACT: This study examined ethical marketing practices and customer loyalty towards petrol stations. It specifically sought to unravel the relationship between marketing transparency, quality assurance, environmental responsibility and customer loyalty towards petrol stations. To that end, the study adopted cross-sectional survey research design. This enabled the collection of primary data from 168 motorists in Calabar Metropolis using a structured questionnaire. The data obtained were descriptively analyzed, while the hypotheses of the study were tested using Pearson’s product moment correlation method. The findings of the study revealed that marketing transparency, quality assurance and environmental responsibility had significant positive relationships with customer loyalty towards petrol stations in Calabar Metropolis. On the basis of these findings, we recommended that petrol stations should adopt transparent marketing, maintain honesty in advertisements, ensure trustworthy employees, prevent deceptive pricing, guarantee accurate dispensing pumps, implement quality assurance measures for safety and durability, and exhibit a consistent commitment to environmental sustainability to foster positive perception and encourage repeat customer patronage. From the limitations of the present study, we offered potential suggestions to guide future research efforts.

KEYWORDS: Ethical marketing, Customer loyalty, Petroleum marketing, Quality assurance, Marketing transparency
INTRODUCTION

Like all business models, petrol stations depend highly on consistent customer loyalty to thrive and remain profitable in business. This is because the petroleum industry is highly competitive, with numerous petrol stations vying for consumers’ attention (Mabunda & Kriel, 2019). These stations often offer similar products, such as gasoline and convenience store items; and so, in such a saturated market, building and sustaining customer loyalty become crucial for differentiation (Susanto et al., 2018). This is because when customers consistently choose a particular petrol station over others, it not only ensures a steady stream of revenue, but also establishes a distinct identity for that station in the minds of consumers. Also, Rao and Singh (2021) maintained that trust and reliability play a significant role in the petrol station business, given that customers seek consistency in the product quality, service, and overall experience. However, building trust takes time, but loyal customers are more likely to trust a petrol station they are familiar with. As such, by consistently meeting customer expectations and delivering reliable services, petrol stations can cultivate a positive reputation and foster loyalty (Samsudin & Yusoff, 2020). To that end, several marketing approaches have been suggested to build customer loyalty in the petroleum sector. From extant research evidence, ethical marketing has emerged as a popular approach especially in the face of sustainability and corporate governance phenomena prevailing in contemporary times (Mensah & Asamoah, 2021; Radzi & Hasbollah, 2019; Roustaei & Mohammadi, 2021). According to Ewah (2018), ethical marketing is the practice of promoting products and services in a manner that is morally and socially responsible. It involves conducting marketing activities with integrity, transparency, and fairness, while considering the impact on various stakeholders, including consumers, employees, the environment, and society at large. In recent times, petroleum marketers around the world have been integrating ethical marketing considerations into their marketing operations due to the growing awareness and concern among consumers and the public regarding environmental sustainability (Abate et al., 2022).

As climate change and environmental degradation become more pressing global issues, consumers are becoming more conscious of their purchasing decisions. Petroleum products, being a significant contributor to environmental issues, have led marketers to adopt ethical marketing practices to align with changing consumer values. Moreover, adhering to ethical marketing practices not only helps petroleum marketers comply with these regulations but also positions them as responsible corporate citizens (Kurniawan et al., 2020). This proactive approach not only minimizes the risk of legal consequences but also fosters a positive public image, which is crucial in an era where corporate social responsibility is gaining prominence. The trajectory of this study was targeted at assessing the extent to which ethical marketing practices could contribute to customer loyalty towards petrol stations. Informed by extant relevant studies, marketing transparency, quality assurance and environmental responsibility were considered as ethical marketing practices in the petroleum sector. In the views of Sarkar and Sarker (2019), petroleum marketers are increasingly integrating marketing transparency considerations into their operations due to a growing awareness of the multifaceted benefits associated with transparent business practices. The main driving force behind this shift is the evolving consumer landscape, where individuals are becoming more conscious of the environmental, social, and ethical implications of their purchasing decisions. Increased customer awareness, government regulations and industry standards are also prompting petroleum marketers to apply quality assurance principles and environmental responsibility initiatives in their operations (Udegbunam et al., 2018). This study was therefore designed to
determine the relationship between these ethical marketing practices (marketing transparency, quality assurance and environmental responsibility) and customer loyalty towards petrol stations in Calabar metropolis.

Problem Statement

The Nigerian Government’s recent policy to prevent the Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA) from fixing petroleum product prices has done more to destabilize the sector than restore stability as it was intended (Adeniyi, 2023). The policy allows petroleum marketers and stations to fix prices for the products on the basis of the interplay between demand and supply, without proper regulatory scrutiny (Arise News, 2023). This has created the space for a slew of discrepancies in petroleum product prices as well as several unethical practices like inaccurate measurement as marketers exploit Nigerian consumers across the country. Consequently, this has engendered a build-up of mistrust among Nigerian consumers of petroleum products especially towards privately-owned stations popularly perceived as engaging in unethical marketing practices. How then can ethical marketing practices be adopted to change consumers’ perception and encourage loyalty towards petrol stations in Nigeria? To gain insights into the foregoing question, an exploration of extant literature was carried out to identify the positions of extant scholars on the subject. This led to the observation of some fundamental study gaps.

To begin with, it was observed that most relevant studies by Nigerian researchers on marketing ethics centered on business ethics in the service sector (Ebitu & Beredugo, 2015); manufacturing sector (Ango, 2018); and SMEs (Agwor & Osho, 2017). This entails that the main focus of this research – ethical marketing practices – has therefore not attracted sufficient scrutiny from Nigerian researchers especially in the context of petrol stations. Even among the few studies done in the Nigerian petroleum sector, scholarly emphasis was on ‘unethical’ practices of petroleum marketers, centering on variables such as unethical pricing, fuel adulteration, pump accuracy compromise, and customer deception (Basil, 2016; Ewah, 2018). As such, an evidence gap in the literature has been observed particularly with respect to the effects of marketing transparency, quality assurance and environmental responsibility on customer loyalty towards petrol stations in the Nigerian context. This is a major evidence gap because despite the immense relevance of marketing transparency, quality assurance and environmental responsibility as ethical practices, these dimensions have not received adequate attention by Nigerian scholars. This entails that the ethical marketing phenomenon has not been thoroughly investigated in the context of customer loyalty towards petrol stations in Nigeria.

Against this backdrop, the specific objectives of this study were to:

i. examine the relationship between marketing transparency and customer loyalty towards petrol stations in Calabar metropolis;

ii. determine the relationship between quality assurance and customer loyalty towards petrol stations in Calabar metropolis;

iii. ascertain the relationship between environmental responsibility and customer loyalty towards petrol stations in Calabar metropolis.
LITERATURE REVIEW

Ethical Marketing in Petroleum Context

Ethical marketing involves the application of moral principles and guidelines to marketing decision-making, behavior, and practice. This approach emphasizes the importance of fairness, honesty, transparency, and the well-being of all stakeholders in the marketing process, including consumers, employees, and the broader society (Abate et al., 2022). According to Kurniawan et al. (2020), ethical marketing refers to the process of building and maintaining appropriate relationships with customers, stakeholders, and the public based on a foundation of trust and transparency. This involves not only adherence to legal standards but also going beyond regulatory requirements to consider the broader social and environmental impact of marketing activities. In the views of Sarkar and Sarker (2019), ethical marketing involves the integration of ethical considerations into the marketing strategy, decision-making processes, and day-to-day activities of an organization. This includes a commitment to principles such as integrity, responsibility, and fairness, with the aim of fostering long-term customer relationships and contributing positively to societal well-being. Furthermore, Ewah (2018) maintained that in the complex and often controversial landscape of the petroleum sector, ethical marketing plays a pivotal role in shaping the industry's image and ensuring sustainable business practices.

The importance of ethical marketing for petroleum marketers cannot be overstated, as it not only addresses public concerns and regulatory requirements but also contributes to long-term business viability and reputation management. One of the primary reasons why ethical marketing is crucial in the petroleum sector is its direct impact on environmental sustainability (Tanveer et al., 2021). The extraction, processing, and consumption of petroleum products are inherently linked to environmental issues, including climate change, pollution, and habitat destruction. Ethical marketing in this context involves transparent communication about environmental initiatives, investments in clean technologies, and efforts to mitigate the ecological footprint of operations. By proactively addressing environmental concerns, petroleum marketers can enhance their credibility and demonstrate a commitment to responsible business practices. Moreover, Mensah and Asamoah (2021) argued that ethical marketing is instrumental in addressing the social implications of the petroleum industry. Communities residing near extraction sites or affected by petroleum-related activities often face socio-economic challenges and environmental risks. Ethical marketing campaigns that highlight corporate social responsibility initiatives, community engagement programs, and equitable resource distribution contribute to building trust among stakeholders. This, in turn, can help mitigate resistance from local communities, regulatory bodies, and non-governmental organizations, fostering a more harmonious relationship between the petroleum sector and the wider society.

Customer Loyalty in Petroleum Context

Customer loyalty is a deeply held commitment to rebuy a preferred product or service consistently in the future, despite situational influences and marketing efforts that have the potential to cause switching behavior (Roustaei & Mohammadi, 2021). According to Samsudin and Yusoff (2020), customer loyalty is the willingness of a customer to make repetitive purchases from a particular firm and their inclination to recommend the products or services to others. This definition places importance on both repeat business and positive word-of-mouth.
Mabunda and Kriel (2019) emphasized the psychological aspect of customer loyalty, defining it as a biased behavioral response that reflects a conscious decision to continue purchasing a particular product or service over time. This definition acknowledges the cognitive and affective components involved in customer loyalty. In the context of petroleum, customer loyalty refers to the degree of attachment, commitment, and repeat business exhibited by consumers towards a particular petroleum brand or company (Susanto et al., 2018). It goes beyond mere transactional relationships, emphasizing a long-term connection and preference for a specific petroleum provider. According to Rao and Singh (2021), customer loyalty is built on a foundation of trust, quality of service, and perceived value, making it a crucial aspect for petroleum marketers.

This is because the petroleum industry is highly competitive, with numerous players vying for market share. Establishing and maintaining customer loyalty becomes a strategic imperative to differentiate one brand from another. Loyalty acts as a powerful barrier against competitors, as consumers who are loyal to a particular petroleum company are less likely to be swayed by promotional offers or marketing campaigns from rivals. Moreover, customer loyalty contributes significantly to the stability of revenue streams for petroleum marketers. In an industry characterized by fluctuating oil prices and external factors beyond the control of companies, having a loyal customer base provides a buffer against the volatility (Kurniawan et al., 2020). Loyal customers are more resistant to price fluctuations and are less likely to switch providers based solely on short-term changes in fuel prices. This stability in revenue allows petroleum companies to plan and invest for the long term, fostering sustainability and growth. Additionally, customer loyalty in the petroleum sector is intricately tied to the reputation and brand image of the company (Ayuba, 2019). A loyal customer base serves as a testament to the company’s commitment to quality, reliability, and customer satisfaction.

**Marketing Transparency and Customer Loyalty**

Marketing transparency refers to the extent to which a company openly communicates and discloses information about its marketing practices, strategies, and performance (Chinyoka & Manda, 2020). It involves providing clear and accurate information to consumers, stakeholders, and regulatory bodies, fostering trust and accountability in marketing activities. For Usman et al. (2019), marketing transparency is a multifaceted concept encompassing the openness and clarity with which firms convey information regarding product attributes, pricing structures, promotional tactics, and overall market positioning. It is a critical factor influencing consumer perceptions, behaviors, and the overall effectiveness of marketing efforts. In another view, Azad and Rashid (2020) defined marketing transparency as the degree of openness in a company’s marketing operations, marketing transparency involves the comprehensive disclosure of information related to product or service offerings, advertising messages, and communication channels. Achieving transparency is imperative for building and maintaining positive brand perceptions among consumers. In the view of Singh and Tiwari (2019), marketing transparency is a psychological construct representing the perceived honesty and openness of a brand’s communication and marketing practices. Consumers evaluate transparency based on the clarity of information provided, sincerity in messaging, and the alignment between a brand’s stated values and actual behavior. In the petroleum marketing context, maintaining transparent marketing practices is essential to building customer trust, encouraging customer repeat patronage and influencing loyalty in the long run (Azimi & Kazemi, 2020).
This is because when consumers have access to accurate and easily understandable information about the petroleum products they are purchasing, they are more likely to trust the company behind those products. This trust is invaluable in an industry where the quality and safety of the products are of utmost importance to consumers. This entails that marketing transparency helps in creating a positive perception of the company, and satisfied customers are more likely to become repeat customers, contributing to the company's long-term success and stability. Furthermore, the impact of transparent marketing extends beyond individual transactions, playing a pivotal role in influencing customer loyalty over the long run (Tan, 2019). This is because loyalty is built on a foundation of trust, and consistent transparency in marketing practices reinforces this trust over time. Customers who perceive a company as transparent and reliable are more likely to remain loyal to that brand, even in the face of competition. The foregoing viewpoint implies that marketing transparency as an ethical marketing practice has the capacity to enhance customer loyalty towards petroleum marketing firms. This viewpoint is backed by the study of Mensah and Asamoah (2021), which revealed that transparent marketing practices had a significant positive effect on customer retention towards petroleum marketers in Ghana. The viewpoint is also backed by the study of Roustaei and Mohammadi (2021), which revealed that marketing transparency had a significant influence on customer patronage of gasoline retail stores in Iran. On this basis, we proposed the following hypothesis:

\[ H_1: \text{Marketing transparency has a significant relationship with customer loyalty towards petrol stations in Calabar Metropolis.} \]

Quality Assurance and Customer Loyalty

Quality assurance is a part of quality management focused on providing confidence that quality requirements will be fulfilled, through systematic measurement and monitoring processes, as well as the implementation of necessary improvements (Sandeep, 2018). It is the planned and systematic activities implemented in a quality system to fulfill quality requirements. It includes the systematic actions necessary to provide adequate confidence that a product or service will satisfy given requirements for quality. For Elgindy (2022), quality assurance is the establishment and maintenance of the processes, procedures, and standards required to ensure that the products and services meet specified requirements and are consistent with organizational objectives and stakeholder expectations. Also, Sahin and Aydin (2021) viewed quality assurance as a systematic, planned set of actions necessary to provide adequate confidence that the software development process or the maintenance process of a software system will conform to established functional technical requirements as well as with the managerial requirements. According to Berhanu and Tadele (2018), in the petroleum marketing context, maintaining the highest levels of product and operations quality is essential to attracting customer patronage, repeat patronage and sustained customer loyalty. This is because customers in the petroleum market often prioritize products that meet stringent quality standards. Whether it be gasoline, diesel, or other petroleum derivatives, consumers expect consistent and reliable performance from these products (Boamah & Amponsah-Tawiah, 2022).

Hence, adhering to and surpassing established quality benchmarks not only ensures the satisfaction of immediate consumer needs but also contributes to building a positive brand image. A reputation for delivering high-quality products fosters trust among customers, encouraging repeat patronage as individuals seek reliability in their fuel sources. Furthermore,
Kuhlen and Heitmann (2021) maintained that in an industry characterized by fierce competition, sustained customer loyalty is a vital business asset. This is why consistently delivering high levels of product and operational quality plays a pivotal role in cultivating this loyalty. Loyal customers not only contribute to a stable revenue stream but also serve as brand advocates, promoting the business through word of mouth and positive reviews. Thus, in the petroleum marketing context, the commitment to maintaining the highest standards of product and operational quality is not merely a business strategy; it is a cornerstone for establishing a strong and enduring relationship with customers in a highly competitive market. The foregoing viewpoint implies that quality assurance as an ethical marketing practice has the capacity to enhance customer loyalty towards petroleum marketing firms. This viewpoint is backed by the study of Mensah and Asamoah (2021), which revealed that quality assurance had a significant positive effect on customer retention towards petroleum marketers in Ghana. Similarly, the viewpoint is backed by the study of Samsudin and Yusoff (2020), which revealed that quality assurance had a significant positive impact on customer loyalty to gas stations in Malaysia. On this basis, we proposed the following hypothesis:

\[ H_2: \text{Quality assurance has a significant relationship with customer loyalty towards petrol stations in Calabar metropolis.} \]

Environmental Responsibility and Customer Loyalty

Environmental responsibility is the integration of sustainable practices into a company's operations and strategies to minimize negative impacts on the environment (Srikhunrat & Ussahawanitchakit, 2020). This involves adopting environmentally friendly technologies, reducing resource consumption, and addressing ecological challenges, while contributing to the overall goal of sustainable development. According to Ait-Ouamer and Salah (2018), environmental responsibility refers to the proactive commitment of businesses to manage their activities in a manner that not only complies with environmental regulations but goes beyond legal obligations. In the views of Wang and Liu (2022), environmental responsibility is a comprehensive approach that emphasizes the ethical and moral considerations of a company's impact on the environment. It involves conducting business activities with a heightened awareness of ecological concerns, engaging in environmentally responsible decision-making, and fostering a corporate culture that prioritizes environmental sustainability and accountability. Similarly, Siti-Nabiha and Abdul-Rahim (2021) maintained that environmental responsibility encompasses the legal, ethical, and social obligations that a company has towards the environment. This includes adherence to environmental laws and regulations, transparent reporting of environmental performance, and active participation in initiatives aimed at mitigating climate change, conserving natural resources, and promoting the overall well-being of the ecosystems in which the company operates. In an era of environmental sustainability and corporate citizenship, engaging consistently in environmentally responsible practices can be an effective way for petroleum marketers to demonstrate their corporate commitment to environmental preservation and encourage improved customer loyalty (Ayuba, 2019).

This is because in this era, consumers are increasingly attuned to the environmental impact of the products and services they choose, and companies are under scrutiny for their contributions to ecological preservation. For petroleum marketers, embracing and consistently implementing environmentally responsible practices can serve as a powerful means of conveying a genuine commitment to corporate citizenship (Ukweni & Onuoha, 2023). Furthermore, Radzi and
Hasbollah (2019) argued that by integrating sustainable initiatives into their operations, such as reducing carbon emissions, implementing efficient waste management systems, and investing in renewable energy sources, petroleum marketers can align themselves with broader societal values. This alignment not only addresses the concerns of environmentally conscious consumers but also positions the company as a responsible corporate citizen contributing positively to the global effort to combat climate change. Moreover, engaging in environmentally responsible practices goes beyond mere compliance with regulations; it becomes a proactive effort to minimize the ecological footprint of the petroleum industry and encourage customer patronage (Azad & Rashid, 2020). The foregoing viewpoint implies that environmental responsibility as an ethical marketing practice has the capacity to enhance customer loyalty towards petroleum marketing firms. This viewpoint is backed by the study of Radzi and Hasbollah (2019), which revealed that environmental responsibility had a significant positive relationship with customer loyalty towards petroleum marketers in Malaysia. Similarly, the viewpoint is backed by the study of Roustaei and Mohammadi (2021), which revealed that environmental responsibility had a significant influence on customer patronage of gasoline retail stores in Iran. On this basis, we proposed the following hypothesis:

H₃: Environmental responsibility has a significant relationship with customer loyalty towards petrol stations in Calabar Metropolis.

Review of Empirical Studies and Conceptual Model

Basil (2016) carried out a study on unethical marketing practices by petroleum marketers in Nigeria. The primary aim of the study was to examine the effect of unethical pricing by petroleum marketers on motorists in Nigeria; and to determine the correlation between fuel adulteration by marketers and the rate of cars/vehicles’ engine damages in the country. The study relied on secondary data and primary data obtained from 333 motorists in Calabar using a structured questionnaire. The hypotheses developed for the study were tested using Chi-square and correlation method. The study found that unethical pricing of petroleum by marketers had a significant negative effect on motorists in Nigeria, and fuel adulteration by marketers significantly affects the rate of cars/vehicles’ engine damages in the country. The limitation of this study, however, is that it centered on unethical marketing practices of petrol stations, with no reference to the causality between ethical marketing practices (such as marketing transparency, quality assurance, environmental responsibility) and customer loyalty towards petrol stations in Nigeria.

Ewah (2018) examined the effects of unethical marketing practices on consumer purchases. The study’s aim was to ascertain if real marketers were involved in unethical marketing practices that provoke and add to customer’s dissatisfaction. To that end, the study obtained primary data from 246 customers of selected filling stations in Ogoja using a structured questionnaire. The data obtained were descriptively analyzed while the hypotheses of the study were tested using Chi-square analytical method. The findings of the study revealed that petroleum marketers (fuel pump attendants) were seriously involved in compromising the volume or contents of fuel sold to customers, deceit and often pump air as fuel to unsuspected customers. However, the limitation of the study is that it centered on unethical marketing practices of petrol stations, with no reference to the causality between ethical marketing practices (such as marketing transparency, quality assurance, environmental responsibility) and customer loyalty towards petrol stations in Nigeria.
In a similar study, Ayuba (2019) examined the effects of unethical marketing practices on the Nigerian economy and the quest for national development. The main objective of the study was to examine the effects of unethical marketing practices on the Nigerian economy. The study relied on secondary data and primary data obtained from 145 respondents obtained through a questionnaire survey. The data obtained were analyzed using descriptive statistics, while the hypotheses of the study were tested using Chi-square and regression analysis. The findings of the study revealed that unethical marketing practices negatively affects the country’s economy in the areas of economic growth such as decline in GDP, increased inflationary activity, decline in patronage leading to closure of factories and plants and subsequently, unemployment, as well as bribery and corruption, poor infrastructure and the lack of innovative entrepreneurship skills. However, the limitation of this study is that it was restricted to the interplay between unethical marketing practices and economic development in Nigeria. It therefore failed to demonstrate the causality between ethical marketing practices (such as marketing transparency, quality assurance, environmental responsibility) and customer loyalty towards petrol stations in Nigeria.

Ukweni and Onuoha (2023) carried out a study on ethical practices and organizational sustainability of oil companies in Rivers State, Nigeria. The study specifically aimed to determine the relationship between ethical practices and organizational sustainability of oil companies in Rivers State. The study used a structured questionnaire to obtain primary data from 297 staff of oil companies in Rivers State. The data obtained from respondents were analyzed using descriptive statistics, while the hypotheses of the study were tested using Spearman Rank Order Correlation Coefficient. Consequently, the study findings showed a positive and significant relationship between the dimensions of ethical practices (ethical training and code of ethics) with the measures of organizational sustainability (environmental and economic sustainability). Even though the study centered on ethical practices in the petroleum context, its limitation is that it does not explain the causality between ethical marketing practices (such as marketing transparency, quality assurance, environmental responsibility) and customer loyalty towards petrol stations in Nigeria.

Mensah and Asamoah (2021) carried out a study on ethical marketing and its impact on customer retention in the Ghana petroleum sector. The main aim of the study was to determine the effects of transparent marketing practice and quality assurance on customer retention towards petroleum marketers in East Legon. The study obtained primary data from 175 consumers of petroleum products in East Legon using a structured questionnaire. The data were analyzed and interpreted using descriptive statistics, while the hypotheses of the study were tested using ordinary least squares method. The findings of the study revealed that transparent marketing practice and quality assurance had significant positive effects on customer retention towards petroleum marketers in Ghana. However, the limitation of the study is that it was restricted to the Ghanaian petroleum sector; hence the insights generated may not accurately portray the causality between ethical marketing and customer loyalty in the Nigerian petroleum sector.

In another study, Radzi and Hasbollah (2019) examined ethical marketing practices and their impact on customer loyalty among petroleum products marketers in Malaysia. The specific purpose of the study was to ascertain the relationship between environmental responsibility and customer loyalty towards petroleum marketers in Malaysia. The study used an online structured questionnaire to obtain primary data from 281 customers of selected petroleum marketers in
Kuala Lumpur. Using descriptive statistics, the data obtained were analyzed and interpreted, whereas Pearson’s Product Moment Correlation method was used for hypothesis testing. The findings of the study revealed that ethical marketing (environmental responsibility) had a significant positive relationship with customer loyalty towards petroleum marketers in Malaysia. However, the limitation of the study is that it was restricted to the Malaysian petroleum sector; hence the insights generated may not accurately portray the causality between ethical marketing and customer loyalty in the Nigerian petroleum sector.

Furthermore, Roustaei and Mohammadi (2021) investigated the interplay between ethical marketing and customer patronage of gasoline retail stores in Iran. The study sought to examine the influence of marketing transparency, price stability and environmental responsibility on customer patronage of gasoline retail stores in Iran. To that end, the study obtained primary data from 273 customers of selected gasoline stores in Tehran using a structured questionnaire. The data obtained were descriptively analyzed and interpreted, while the hypotheses of the study were tested using structural equation modeling. The findings of the study therefore indicated that marketing transparency, price stability and environmental responsibility had significant influences on customer patronage of gasoline retail stores in Iran. However, the limitation of the study is that it was restricted to the Iranian petroleum sector; hence the insights generated may not accurately portray the causality between ethical marketing and customer loyalty in the Nigerian petroleum sector.

In addition, Samsudin and Yusoff (2020) examined the impact of petroleum marketing ethics on customer loyalty to gas stations in Malaysia. The aim of the study was to determine the impacts of price stability, quality assurance and fair customer relations on customer loyalty to gas stations in Malaysia. To that end, the study sought and obtained primary data from 189 customers of government-owned gas stations in Malaysia using a semi-structured questionnaire. The data obtained were analyzed using descriptive statistics, while the hypotheses of the study were tested using a simple regression method. Consequently, the findings of the study revealed that price stability, quality assurance and fair customer relations had significant positive impacts on customer loyalty to gas stations in Malaysia. However, the limitation of the study is that it was restricted to the Malaysian petroleum sector; hence the insights generated may not accurately portray the causality between ethical marketing and customer loyalty in the Nigerian petroleum sector.

From the review of the afore-listed extant relevant literature, this study adopted marketing transparency, quality assurance and environmental responsibility as proxies of ethical marketing in the context of the study. Accordingly, the parameters of marketing transparency (honest advertising, transparent pricing, dispensing pump accuracy and employee transparency) were adapted from Mensah and Asamoah (2021). The parameters of quality assurance (quality standards, product reliability, product durability and product safety) were adapted from Mensah and Asamoah (2021). Also, the parameters of environmental responsibility (environmental safety, pollution prevention, waste minimization and petrol spill prevention) were adapted from Radzi and Hasbollah (2019). In the same way, the dependent variable (customer loyalty) was measured using parameters (frequent patronage, consistent patronage, positive word of mouth, and future patronage intentions) adapted from Naini et al. (2022). In light of existing empirical evidence by previous researchers, this study therefore presents the conceptual model in FIG.1 to portray the hypothesized relationship between ethical marketing practices and customer loyalty towards petrol stations in Calabar metropolis.
Theoretical Framework

The theoretical basis of this study is the stakeholder theory; a theory of organizational management and business ethics that accounts for multiple constituencies impacted by business entities like employees, suppliers, local communities, creditors, and others (Lin, 2018). It was propounded by Freeman and Phillips (1994). The theory stresses the interconnected relationships between a business and its customers, suppliers, employees, investors, communities and others who have a stake in the organization. It argues that a firm should create value for all stakeholders, not just shareholders as a key to enhancing its performance in a dynamic environment (Phillips, 2003). It addresses morals and values in managing an organization, such as those related to corporate social responsibility, market economy, and social contract theory. According to the theory, the stakeholder ecosystem involves anyone invested and involved in, or affected by the company’s operations, such as employees, environmentalists near the company’s plants, host communities, vendors, governmental agencies, and more. It suggests that a company’s real success lies in satisfying all its stakeholders, not just those who might profit from its stock (Freeman & Phillips, 1994). Freeman and Phillips’ (1994) stakeholder theory holds that a company’s stakeholders include anyone affected by the company and its workings. This view is in opposition to the long-held shareholder theory proposed by economist Milton Friedman that in capitalism, the only stakeholders a company should care about are its shareholders and thus, its bottom line (Donaldson & Preston, 2005).

Friedman’s view is that companies are compelled to make a profit, to satisfy their shareholders, and to continue positive growth. In contrast, Freeman and Phillips (1994) suggests that a company’s stakeholders are those groups without whose support the organization would cease...
to exist. These groups would include customers, employees, suppliers, political action groups, environmental groups, local communities, the media, financial institutions, governmental groups, and more. This view paints the corporate environment as an ecosystem of related groups, all of whom need to be considered and satisfied to keep the company healthy and successful in the long term (Donaldson & Preston, 2005). This implies that the stakeholder theory purports that since businesses focus to appeal to both financial and non-financial stakeholders, they should focus on engaging in corporate social responsibility undertakings that are apparently significant to non-financial stakeholder groups. In the context of this study, the relevance of the stakeholder theory lies in its basic premise, which suggests that petrol stations, like all organizations, not only exist to serve their shareholders; but also, to create value for their stakeholders. In this case, the stakeholders of petrol stations comprise customers, host communities, governments and all whose operations are impacted directly and indirectly by the activities of petrol stations. As such, the stakeholder theory holds that an inclusive operational approach should be followed by petrol stations in order to generate dividends for shareholders and also cater to the statutory requirements of key stakeholders. One of the ways of building relationships and providing value to stakeholders is through ethical marketing, which ensures that there is fairness, equity and transparency in the marketing operations of petrol stations (Tanveer et al., 2021). Against this backdrop and in line with the postulations of the stakeholder theory, this study hypothesized that ethical marketing could enhance customer loyalty towards petrol stations. This hypothetical position was validated and reinforced subsequently through hypothesis testing, thereby upholding the stakeholder theory’s premises as true in the context of the study.

METHODOLOGY

The research design adopted for this study was cross-sectional survey design. This design enabled the collection of primary data from a cross-section of motorists in Calabar Metropolis on a one-time basis, within the shortest time frame for analysis in the study. This implies that the target population of the study comprised all motorists in Calabar South and Municipality. The study chose to target motorists because they are the category of petroleum consumers who frequently purchase the product mostly on a daily basis for their vehicles. As such, they are more exposed to the ethical marketing practices of petrol stations, since they interact regularly with their offerings. However, the researcher could not gain access to comprehensive and factual statistics of all motorists in Calabar metropolis since not all were registered; hence the population was numerically unknown. The Topman sample size determination procedure was initiated with a pilot survey of 30 motorists in Calabar South. These individuals were asked whether or not they regularly purchased petrol for driving their vehicles in Calabar. Out of the 30 motorists interviewed, 26 (or 86.7 percent) said that they regularly buy petrol for their daily vehicle usage, while 4 respondents (or 13.3 percent) said they rarely used their vehicles so they do not regularly purchase petrol. From the result of the pilot survey above, the Probability of Positive Responses (P) is 0.867, while the Probability of Negative Responses (q) is 0.133. By simple substitution, the Topman formula was applied thus:

\[ n = \frac{Z^2Pq}{e^2} \]
Having arrived at the sample size, the study adopted a convenience sampling technique to target motorists in Calabar Metropolis. To that end, the study administered 90 copies of the questionnaire to motorists at FyneField Filling Station (Calabar South) and 87 copies were administered to motorists at Mobil Filling Station, Murtala Mohammed Highway (Calabar Municipality). The questionnaire administered was a structured questionnaire with measures adapted from extant relevant studies. The instrument was validated prior to field administration using content validity, while Cronbach’s alpha reliability method was used for its reliability test. The results from the reliability test (See TABLE 1) revealed that all the scales on the instrument generated Cronbach’s alpha coefficients not less than 0.7. Hence, the instrument was deemed reliable and adopted for field administration to respondents. At the end of the field survey, the data obtained from respondents were descriptively analyzed while the hypotheses of the study were tested using Pearson’s product moment correlation method. The study adopted a correlation method for hypothesis testing because the purpose of the study was to determine the relationship between ethical marketing practices and customer loyalty towards petrol stations. Hence, correlation analysis was deemed the most suitable statistical tool for such analytical procedure.

**Table 1: Questionnaire Reliability Test Results**

<table>
<thead>
<tr>
<th>Constructs</th>
<th>No. of items</th>
<th>Cronbach’s alpha coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing transparency</td>
<td>4</td>
<td>.749</td>
</tr>
<tr>
<td>Quality assurance</td>
<td>4</td>
<td>.826</td>
</tr>
<tr>
<td>Environmental responsibility</td>
<td>4</td>
<td>.726</td>
</tr>
<tr>
<td>Customer loyalty</td>
<td>4</td>
<td>.803</td>
</tr>
<tr>
<td></td>
<td>16</td>
<td></td>
</tr>
</tbody>
</table>

Source: Authors’ analysis via SPSS 2023
ANALYSIS AND DISCUSSION

In the course of this study, a total of 177 copies of the questionnaire were administered to motorists in Calabar metropolis. However, some copies (9 or 5.1 percent) were damaged by respondents inadvertently, while 168 copies or 94.9 percent) were correctly completed and retrieved. Hence, the response rate during the questionnaire survey was 94.9 percent.

Table 2: Summary of Respondents’ Demographic Profile

<table>
<thead>
<tr>
<th>Demographic</th>
<th>Total</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-24 years</td>
<td>34</td>
<td>20.2</td>
</tr>
<tr>
<td>25-31 years</td>
<td>16</td>
<td>9.5</td>
</tr>
<tr>
<td>32-38 years</td>
<td>26</td>
<td>15.5</td>
</tr>
<tr>
<td>39-45 years</td>
<td>65</td>
<td>38.7</td>
</tr>
<tr>
<td>46 years or above</td>
<td>27</td>
<td>16.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>168</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>147</td>
<td>87.5</td>
</tr>
<tr>
<td>Female</td>
<td>21</td>
<td>12.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>168</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Marital status</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>46</td>
<td>27.4</td>
</tr>
<tr>
<td>Married</td>
<td>122</td>
<td>72.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>168</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Highest educational level</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FSLC</td>
<td>12</td>
<td>7.1</td>
</tr>
<tr>
<td>SSCE</td>
<td>47</td>
<td>28.0</td>
</tr>
<tr>
<td>First Degree</td>
<td>95</td>
<td>56.5</td>
</tr>
<tr>
<td>Post-Graduate Degree</td>
<td>14</td>
<td>8.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>168</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Authors’ Analysis via SPSS, 2023

The data presented in Table 2 represent the demographic characteristics of respondents who participated in the questionnaire survey. As can be seen in the table, out of the 168 respondents surveyed, the majority (65 or 38.7 percent) were between the ages of 39-45 years. With respect to gender, the majority of the respondents surveyed (147 or 87.5 percent) were male. Regarding respondents’ marital status, the majority of those surveyed (122 or 72.6 percent) were married. Similarly, the data shows that out of the respondents surveyed, the majority (95 or 56.5 percent) had a first University degree as their highest educational qualification.

Hypotheses Testing

In this unit, the null hypotheses developed for this study were tested to generate findings for the study. The test statistic utilized in this endeavor was Pearson's Product Moment Correlation method with the aid of the Statistical Package for the Social Sciences (SPSS 26). This test
The statistic was appropriate for the study because the hypotheses of the study sought to determine the relationship between the study variables as follows:

**Hypothesis one:** Marketing transparency has no significant relationship with customer loyalty towards petrol stations in Calabar metropolis.

**Decision criteria:** Accept the alternative hypothesis if (P < .05) and reject the null hypothesis, if otherwise.

**Table 3: Pearson’s Product Moment Correlation Results of the Relationship between Marketing Transparency and Customer Loyalty towards Petrol Stations in Calabar Metropolis**

<table>
<thead>
<tr>
<th></th>
<th>Marketing transparency</th>
<th>Customer loyalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing transparency</td>
<td>Pearson Correlation</td>
<td>.585</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.003</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>168</td>
</tr>
<tr>
<td>Customer loyalty</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.003</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>168</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.05 level (2-tailed)**

**Source:** Authors’ analysis via SPSS 2023

The data presented in Table 3 illustrates Pearson’s Product Moment Correlation assessing the relationship between marketing transparency and customer loyalty towards petrol stations in Calabar metropolis. Notably, the diagonal entries of the table, where the variable is correlated with itself, all yield an r value of 1, indicating a perfect correlation. The calculated correlation coefficient (r = 0.585) suggests that marketing transparency exhibited a relationship of 58.5 percent with customer loyalty towards petrol stations in Calabar metropolis. This indicates a moderately strong positive relationship between the variables. Also, since there is no negative sign (-) in front of the correlation coefficient (r = 0.585), it indicates that the relationship between the study variables (marketing transparency and customer loyalty) is a positive one. This implies that as marketing transparency improves, there tends to be an associated increase in customer loyalty towards petrol stations in Calabar metropolis. Furthermore, the table also shows that the probability value (0.003) is less than the error margin of 0.05; hence we reject the null hypothesis, accept the alternative hypothesis and conclude that marketing transparency has a significant positive relationship with customer loyalty towards petrol stations in Calabar metropolis.

**Hypothesis two:** Quality assurance has no significant relationship with customer loyalty towards petrol stations in Calabar metropolis.

**Decision criteria:** Accept the alternative hypothesis if (P < .05) and reject the null hypothesis, if otherwise.
Table 4: Pearson’s Product Moment Correlation Results of the Relationship between Quality Assurance and Customer Loyalty towards Petrol Stations in Calabar Metropolis

<table>
<thead>
<tr>
<th></th>
<th>Quality assurance</th>
<th>Customer loyalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality assurance</td>
<td>Pearson Correlation 1</td>
<td>.379**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>168</td>
</tr>
<tr>
<td>Customers loyalty</td>
<td>Pearson Correlation .379**</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>168</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.05 level (2-tailed)

Source: Authors’ analysis via SPSS 2023

The data presented in Table 4 illustrates Pearson's Product Moment Correlation assessing the relationship between quality assurance and customer loyalty towards petrol stations in Calabar metropolis. Notably, the diagonal entries of the table, where the variable is correlated with itself, all yield an r value of 1, indicating a perfect correlation. The calculated correlation coefficient (r = 0.379) suggests that quality assurance exhibited a relationship of 37.9 percent with customer loyalty towards petrol stations in Calabar metropolis. This indicates a weak positive relationship between the variables. Also, since there is no negative sign (-) in front of the correlation coefficient (r = 0.379), it indicates that the relationship between the study variables (quality assurance and customer loyalty) is a positive one. This implies that as quality assurance improves, there tends to be an associated increase in customer loyalty towards petrol stations in Calabar metropolis. Furthermore, the table also shows that the probability value (0.000) is less than the error margin of 0.05; hence we reject the null hypothesis, accept the alternative hypothesis and conclude that quality assurance has a significant positive relationship with customer loyalty towards petrol stations in Calabar metropolis.

Hypothesis three: Environmental responsibility has no significant relationship with customer loyalty towards petrol stations in Calabar Metropolis.

Decision criteria: Accept the alternative hypothesis if (P < .05) and reject the null hypothesis, if otherwise.

Table 5: Pearson’s Product Moment Correlation Results of the Relationship between Environmental Responsibility and Customer Loyalty towards Petrol Stations in Calabar Metropolis

<table>
<thead>
<tr>
<th></th>
<th>Environmental responsibility</th>
<th>Customer loyalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental</td>
<td>Pearson Correlation 1</td>
<td>.695**</td>
</tr>
<tr>
<td>responsibility</td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>168</td>
</tr>
<tr>
<td>Customer loyalty</td>
<td>Pearson Correlation .695**</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>168</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.05 level (2-tailed)

Source: Authors’ analysis via SPSS 2023
The data presented in Table 5 illustrates Pearson’s Product Moment Correlation assessing the relationship between environmental responsibility and customer loyalty towards petrol stations in Calabar metropolis. Notably, the diagonal entries of the table, where the variable is correlated with itself, all yield an r value of 1, indicating a perfect correlation. The calculated correlation coefficient (r = 0.695) suggests that environmental responsibility exhibited a relationship of 69.5 percent with customer loyalty towards petrol stations in Calabar metropolis. This indicates a very strong positive relationship between the variables. Also, since there is no negative sign (-) in front of the correlation coefficient (r = 0.695), it indicates that the relationship between the study variables (environmental responsibility and customer loyalty) is a positive one. This implies that as environmental responsibility improves, there tends to be an associated increase in customer loyalty towards petrol stations in Calabar metropolis. Furthermore, the table also shows that the probability value (0.000) is less than the error margin of 0.05; hence we reject the null hypothesis, accept the alternative hypothesis and conclude that environmental responsibility has a significant positive relationship with customer loyalty towards petrol stations in Calabar metropolis.

DISCUSSION OF FINDINGS

From the test of hypothesis one, it was found that marketing transparency has a significant positive relationship with customer loyalty towards petrol stations in Calabar metropolis. This finding is backed by the study of Mensah and Asamoah (2021), which revealed that transparent marketing practices had a significant positive effect on customer retention towards petroleum marketers in Ghana. The finding is also backed by the study of Roustaei and Mohammadi (2021), which revealed that marketing transparency had a significant influence on customer patronage of gasoline retail stores in Iran. The implication of this finding is that as an ethical marketing practice, marketing transparency has been confirmed to effectively enhance customer loyalty towards petrol stations in Nigeria.

The test of hypothesis two also revealed that quality assurance has a significant positive relationship with customer loyalty towards petrol stations in Calabar metropolis. This finding is corroborated by the study of Mensah and Asamoah (2021), which revealed that quality assurance had a significant positive effect on customer retention towards petroleum marketers in Ghana. Similarly, the finding is backed by the study of Samsudin and Yusoff (2020), which found out that quality assurance had a significant positive impact on customer loyalty to gas stations in Malaysia. In the context of this study, the implication of this finding is that through hypothesis testing, it has been confirmed that adhering to the highest standards of quality as an ethical marketing practice, has the capacity to enhance customer loyalty towards petrol stations in Nigeria.

Finally, the test of hypothesis three led to the following finding: Environmental responsibility has a significant positive relationship with customer loyalty towards petrol stations in Calabar metropolis. This finding is reinforced by the study of Radzi and Hasbollah (2019), which revealed that environmental responsibility had a significant positive relationship with customer loyalty towards petroleum marketers in Malaysia. Similarly, the finding is backed by the study of Roustaei and Mohammadi (2021), which showed that environmental responsibility had a significant influence on customer patronage of gasoline retail stores in Iran. The implication of this finding in the context of this study is that being environmentally responsible, as an ethical...
marketing practice, has been confirmed to effectively enhance customer loyalty towards petrol stations in Nigeria. Hence, embracing environmental responsibility initiatives can be a viable way for petrol stations to maintain a positive public perception among their customers.

CONCLUSION AND PRACTICAL IMPLICATIONS

Marketing ethics have emerged to set the acceptable standards of practice to guide the activities of marketing organizations in the society. This study was interested in exploring the relationship between ethical marketing practices and customer loyalty towards petrol stations in Calabar metropolis. It specifically sought to understand the relationship between marketing transparency, quality assurance, environmental responsibility and customer loyalty in this context. To facilitate this investigation, primary data were obtained from consumers of petrol products in selected petrol stations in Calabar metropolis using a structured questionnaire survey. The data obtained from the survey were subjected to statistical analysis using descriptive and inferential statistics. The findings thereof revealed that marketing transparency, quality assurance and environmental responsibility had significant positive relationships with customer loyalty towards petrol stations in Calabar metropolis. This entails that by being ethically responsible in their marketing operations, petrol stations can gain customer preference and enjoy sustained loyalty. Hence, this study concluded that there is a significant positive relationship between ethical marketing practices and customer loyalty towards petroleum marketing firms in Nigeria. Considering the findings made in this study, the following suggestions are recommended for possible implementation:

i. Petrol stations should fully and consistently integrate transparent marketing principles into their operations by ensuring that their advertisements are honest, employees are trustworthy, pricing structure is not deceptive and their dispensing pump is accurate. When this happens, customers will trust them more and will be willing to maintain long-term business relationships with their brands.

ii. Quality assurance initiatives, such as adhering to the highest quality standards, ensuring products are not adulterated in order to enhance their safety and durability, should be implemented by petrol stations to maintain a positive perception and encourage repeat customer patronage.

iii. Petrol stations must demonstrate a consistent commitment to environmental sustainability by ensuring their products and operations do not degrade the well-being of host communities, and are not polluting the environment. Adequate spill prevention mechanisms, fire-extinguishing facilities and environmental disaster response plans must be put in place to guard against incidents that jeopardize the sustainability of the host environment. By demonstrating that they are environmentally responsible, customers are more likely to approve of the operations of petrol stations and patronize them in the long run.
LIMITATIONS AND FUTURE RESEARCH

This study was limited to petrol stations in the Calabar metropolis. There is a need for replicative studies to be conducted in other regions of the country to compare the similarity of research findings across geographical contexts. There is also a need for similar studies to be done outside of the petroleum sector, incorporating other sectors of economic value like the hospitality, transportation, banking and telecommunications sectors to extend the generalization of current research findings.

REFERENCES


Siti-Nabiha, A. K., & Abdul-Rahim, R. (2021). Ethical marketing practices in the petroleum...