Corporate Image and Customer Loyalty of Nigeria Ports Authority in Rivers State

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ABSTRACT
This study examined the relationship between Corporate Image and Customer Loyalty of Nigeria Ports Authority in Rivers State. Nowadays, building corporate image has become a priority for organization to grow their business competitively. With increasing competition between ports, attracting new customers can no longer guarantee profits and success, but retaining existing customers is of more importance. In fact, a competitive environment provides customers with more alternatives to choose from. The study aimed at investigating the influence of Corporate Image on Customer Loyalty of Nigeria Ports Authority in Rivers State. The study adopted the survey research design. The study population comprised of 200 customers of Nigerian Ports Authority which were conveniently sampled. After data cleaning, 174 copies of questionnaire were completed and returned. Spearman’s Rank Order Correlation Coefficient via SPSS 21.0 version was used to test the seven hypotheses. Findings revealed that there was a positive relationship between service quality and customer loyalty; physical evidence and customer loyalty. In conclusion, we stated that loyal customers are more likely to repurchase the same service or brand, provide positive word-of-mouth and be willing to pay a premium price.

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Among others the study recommended that management of Nigeria Ports Authority should intensify efforts in projecting the image of the organization through quality service rendering in form of prompt response to the need and expectations of their customers.

**Introduction**

Nowadays, with the markets getting more competitive and the working environment undergoing constant change, organizations have realized that they no longer face an expanding economic system with ever-growing markets. As a result, each and every customer has gained a new value. Customer satisfaction is considered as a factor encouraging customers to use the service again, though there is no guaranty that a satisfied customer will return for a repeat purchase (Soriano, 2002). In 1980s and 1990s, marketers and researchers mostly focused on the issue of customer satisfaction and on methods to increase customer satisfaction. But over time, marketers realized that many customers who were satisfied did not necessarily reuse the goods or services in question (the issue of loyalty) (Hyun, 2010). For example, in the automotive industry where 85 to 95% of customers had expressed their satisfaction, only 30 to 40% actually repurchased the same brand or make of the car (Oliver, 1999 as cited in Haghighi, Dorosti, Rahnama, & Hoseinpour, 2012). Reducing defection rate by just 5% generates between 25 and 85% more profits for the organization depending on the pertinent industry (Reichheld et al., 1990 as cited in Haghighi et al (2012). Most investigations suggest that organizations should keep hold of their loyal customers as a competitive asset.

With increasing competition between ports, attracting new customers can no longer guarantee profits and success, but retaining existing customers is of more importance. In fact, a competitive environment provides customers with more alternatives to choose from. Thereby, they can select their favorite option from several alternatives. Consequently, customer loyalty is considered to be a vital factor for success, continuation, and profitability of an organization. Customer loyalty is an important factor in the customer strategy of any organization. Increasing customer loyalty has become a hot topic among managers, consultants, and academic scholars (Keiningham et al., 2007). The importance of this issue is due to the fact that it leads to purchase of goods and services by the customers. Organizations and institutions that are successful in gaining customer loyalty have a major competitive advantage (Aksu, 2006). Anderson and Narus (2004) believe that retaining existing customers is a much more effective strategy for the organization than attempting to attract new customers to replace the lost ones (Gee et al., 2008). As a result of facing crowded and ultracompetitive markets, service providers in many industries have switched their marketing strategy from attracting new customers to customer retention strategy (Ilina, 2015).

For port operators, it is important to understand specific decision-making criteria customers use for port selection in order to be able to affect customers’ selection decisions. According to Kotler et al. (2011), customers seek “a set of benefits” with various capabilities for satisfying their needs. If customers also view port services as a package, they will consider multiple criteria for choosing ports (Sloan, 2004). For the port industry, it is important to understand the attributes which influence customers’ decisions to return to a port. By understanding these factors, it is possible to satisfy customers’ expectations and prevent their defection, leading to plentiful profits for the port.

Due to defecting customers, organisations are now logically concerned with managing their corporate Image. This indicates a possible strong positive correlation between how people perceive an organization and the pro-corporate supportive behaviour. Corporate images are perceived as the mental pictures of an organization. It is the sum total of these perceived characteristics of the corporation that we refer to as the corporate image. Every organisation has its image whether the organization does
anything about it or not. Corporate image is formed based on the stakeholders’ perceptions of specific company actions as well as associated industry and nation issues. An organisation’s image to a large extent influences stakeholder’s reactions to specific corporate actions and products.

According to Rayner (2003), corporate image confers clear-cut advantages and privileges on companies. It proves difficult to imitate, at the same time, it creates responsibilities. Whereas, the obligations that managers and the organization owe must meet the personal standards of the employees, the quality standards of customers, the ethical standards of the community and the profitability standards of the investors. Therefore, organizations sustain their corporate image by building strong and supportive relationships with all of their constituents, such as customers, suppliers, investors, community, government, etc.

Moreover, the competitors, the community and the channel members who are involved in the distribution network including the wholesalers, retailers and the kind are interested in the comparative performance of the institution and accessing its role as a corporate citizen. Despite the grave importance of customer loyalty, scarcely will you find sufficient reported research on the subject in the port services industry, particularly in Nigeria. Thus, a firm understanding of the effect of the factors such as corporate image must precede marketing strategies aimed at reducing customer defection to other neighbouring countries’ ports. As consequence, this research endeavours to test the correlation between corporate image and customer loyalty and to deepen further our understanding of the drivers of customer loyalty within the Nigerian ports context.

Empirically, many studies have looked at the concept of corporate image with other construct and practices; Bernstein, (2004) studied 'Company Image and Reality: A Critique of Corporate Communication,'. Bromley, & Dennis (2003), examined 'Reputation, Image and Impression Management,'. Hsieh, & Li, (2008). Investigated on ‘The Moderating Effect of Brand Image on Public Relations Perception and Customer Loyalty’. Robert, & Dowling, (2003), worked on 'The Value of a Firm’s Corporate Reputation: How Reputation Helps and Sustain Superior Profitability,' this study is yet to attract the attention of researchers. From the listed empirical literature, it is factual that there is no work linking corporate image and customer loyalty of Nigerian Ports Authority in Rivers State. Therefore, there is a literature gap which our study is meant to fill and our point of departure is to empirically investigate how corporate image of Nigeria Ports Authority influence customer loyalty.

**Problem Statement**

Port users usually experience delays in the clearance of their cargoes — especially, **delay of cargoes during the process of verification and certification**. Investigations carried out by Ships & Ports Daily (2017) at the ports in Lagos namely the Lagos Port Complex (LPC) and the Tin Can Island Port Complex (TCIPC) both in Apapa revealed that importers and agents take up to 21 days before taking their containers out of the port. Investigation further revealed that the two major factors responsible for the high dwell time is poor clearing process, corruption and low storage charges. In addition to long container dwell time, poor transport infrastructure around the ports such as narrow exit gates and multiple agencies are among others that have been identified as major factors responsible for creating bottlenecks at the ports. From the above stated problems bedeviling the Nigerian ports, it is clear that there is need to carry out a study on corporate image building and customer loyalty of Nigerian Ports Authority, evidence from Rivers State.
Research Objectives

Drawing on the research problem stated above, the central aim of this study is to examine the relationship between corporate image and customer loyalty of Nigeria Ports Authority in Rivers State. More specifically, the following objectives are stated;

1. To examine whether there is any significant relationship between service quality and customer loyalty of Nigeria Ports Authority in Rivers State.
2. To find out if there is any significant relationship between physical evidence and customer loyalty of Nigeria Ports Authority in Rivers State.

Study Variables and Research Framework

In our study, corporate image is our independent variable with its measures as service quality and physical evidence while our dependent variable is customer loyalty with its measures as repeat purchase and word of mouth advocacy. The attributes of these variables include:

Corporate Image: This is the manner which a corporation, firm or business presents themselves to the public (such as customers and investors as well as employees).

Customer Loyalty: This is a deeply held commitment to continually do business with a particular firm irrespective of negative forces.

Service Quality: An assessment of how well a delivered service conforms to the client’s expectations

Physical Evidence: The physical evidence demonstrates the quality of service that the provider provides and wants to convey to its consumers.

Repeat Purchase: It indicates a situation that arises when a customer returns again and again to purchase a good or service from a business.

Functional Relationships and Model Specifications

Functional Relationships: This study establishes functional relationship between two measures of independent variables which are service quality and physical evidence and one measure of customer loyalty which is repeat purchase. For this study we are developing a model specification. The three functional relationships involved are as follows:

Premised on the research variables, the study is expressed in the functional relationship as follows:

\[
\begin{align*}
CI &= f(CP) \\
CL &= RP \\
CI &= SQ
\end{align*}
\]

functions 1

functions 2

functions 3

Where:

CI = Corporate Image
CL = Customer Loyalty
SQ = Service Quality
PE = Physical Evidence
RP = Repeat Purchase
Theoretical Foundation and Conceptual Framework

Research Framework

Figure 1.1: Conceptual Framework of the Relationship between corporate image and customer loyalty of Nigeria Ports Authority in Rivers State.

Source: Survey Data, 2021

Operational Framework

Figure 1.1: Conceptual Framework of the Relationship between corporate image and customer loyalty of Nigeria Ports Authority in Rivers State.

Source: Survey Data, 2021

Research Hypotheses

Based on our research framework, the below hypotheses are formulated:

Ho1

Ho2
H₀₁: There is no significant relationship between service quality and repeat purchase of Nigeria Ports Authority in Rivers State.

H₀₂: There is no significant relationship between physical evidence and repeat purchase of Nigeria Ports Authority in Rivers State.

Review of Relevant Literature

Theoretical Framework

This study adopted the Investment Model theory of (Rusbult, 1980) and Signaling theory (Erdem & Swait, 2004). They provide a framework for explaining the empirical link between corporate image and customer loyalty (Erdem & Swait, 2004).

Investment Model

The Investment Model (IM) (Rusbult, 1980) is a theory in social psychology that predicts commitment and persistence across many types of relationships (for example, romantic relationships, friendships, and relationships in organizational settings). The model states that an individual’s commitment is dependent upon the level of satisfaction derived, the quality of attractive alternatives to the relationship, and the investment size (that is, the magnitude and importance of the resources invested in a relationship) (Li, Browne, & Wetherbe 2006).

Basically, this theory captures both co-production and co-creation aspects involving both parties in a relationship with the aim of sustaining the relationship. These study views dimensions of the IM as co-production dimensions that customers engage themselves in, while customer loyalty is viewed as the outcome value created from the co-creation experience. Co-creation continues to receive attention from service management and marketing scholars (Black & Veloutsou, 2017).

Concurring with the notion that the co-creation process has to be understood and properly managed as a strategy to create customer value, this study adds to the discourse on how firms motivate customers through the co-production process to create value (Ostrom, Bitner, Brown, Burkhard, Goul, Smith-Daniels, & Rabinovich, 2010).

Relationships could either be between two people or between a person and an object or an abstraction. For example, information technology (IT) professionals who have relationships with their careers (that is, a non-personal setting) could decide to stay in their relationship with their career if their expectations are met or exceeded. Though their career (which is, virtually, the other partner) is not human, there is an underlining personal relationship that exists between them and their career. Likewise, this same argument is what the authors bring to bear in this study. That is, products and services are not humans and do not have that personal touch or feelings that human partners give in return. However, a customer’s use of a product or service exhibits an underlining relationship that exists and, thus, the continuous stay in the relationship will be contingent on the customer’s assessment of his or her expectation being met upon use of the service or product. To that extent, the IM provides the theoretical justification for examining ways and processes through which value co-creation from a customer loyalty point of view is enhanced with tangible and intangible offerings. Unlike other allied disciplines, such as psychology and management, review of the literature shows few studies have applied the IM in service marketing research (Ping, 1993; Liu, Leach, & Bernhardt, 2005). This study operationalizes the IM in the agency’s service domains within Nigeria. Due to the illegitimate alternative services available, the NPA services market offers a fertile ground for studying the stochastic process of loyalty to the agency offerings because of the stark differences between these offerings and the challenges facing these domains in Nigeria.
Signaling theory

Signaling theory provides a framework for explaining the empirical link between corporate image and customer loyalty (Erdem & Swait, 2004). According to this theoretical view, the institution’s communications, developed to build its reputation for social responsibility and capability, create a repository of credible information signals. Customers use these cues to ascertain the quality and value of the intangible services the agency provides (Teas & Agarwal, 2000). Moreover, much research that applies signaling theory to an online environment finds that reputation plays an important role for consumers when determining the product quality of an online retailer (Chen & Dubinsky, 2003; Kwon & Lennon, 2009). In other words, consumers who develop a positive mental schema of a brand will tend towards higher satisfaction and loyalty (Brodie, Whittome, & Brush, 2009; Hartman & Spiro, 2005). Therefore, a positive corporate image appears to encourage customer loyalty to the service provider.

A number of empirical studies have found a strong positive association between price, customer satisfaction, and loyalty in business-to-consumer settings (Hidalgo et al., 2008; Kukar-Kinney, 2006). One such study showed that a strong relationship exists between price fairness and store loyalty in a retail context (Martin et al., 2009). Another study showed a strong relationship between price and loyalty on the Internet (Grewal, Iyer, Krishnan, & Sharma, 2003). As firms shift their purpose from offering services in order to increase customer satisfaction to building long-term relationships with customers in order to make a sustainable profit, many innovative pricing structures have emerged, including pricing for service upgrades, subscription pricing, and advanced selling. Many researchers have started to examine the nature of these pricing tactics (Xie & Shugan, 2001). Essegaier, Gupta, and Zhang (2002); Danaher (2002) provided helpful discussions of two-part pricing, which includes a fixed fee and usage rate. For example, the most recent pricing strategy adopted by mobile communications service providers no longer has a price-per-unit structure. Instead, it is framed as payment for the right to consume a certain amount of services within a period of time.

Preliminary empirical evidence demonstrates that customers’ choices of service plans are driven by their anticipated maximum future consumption. Though further empirical research is needed to validate these nominal findings and measure their effectiveness, it is proposed that price tends to stimulate customer loyalty to the service provider. Overall, the literature suggests that the key drivers affecting customer satisfaction and loyalty to service providers need to be better understood. Some scholars expressed reservations regarding the marketing of service providers, which suggests that understanding key factors related to satisfaction and loyalty will help direct the further marketing efforts of service providers. Any service can be modeled as an entity with a set of attributes. For example a NPA’s service may have the following attributes: corporate image, brand awareness, service price (price of having goods on NPA’s land, service charges), service quality (quality of cargo handling and storage services), and customer support services (customer relationship management, privacy protection policy).

Concept of Corporate Image

A good review of the literature was presented by Kennedy in 1977. She maintains that the concept of corporate image was developed in the 1950s. The first author to draw a comparison between the corporate image and the human personality was Newman in 1953. Boulding (1956) contributed by emphasizing the relationship between image and behaviour and by suggesting that what an individual believes to be true, is in fact true for him. Swanson (1957), approaching it from the perspective of the consumer, was first to suggest that there was such a thing as an ideal corporate image.
Martineau (1958) argued strongly for management to take the topic seriously and he was the first to suggest that a company faced not one, but seven publics to whom is should be projecting itself. He also drew a distinction between the functional meaning of corporate image—the tangible assets of quality, reliability, service, price and its emotive meaning—subjective feelings. For several decades the concept corporate image has faced definitional inconsistency as it has been defined by various authors from different perspective (aspect and subjective discipline). The concept of corporate image has already gone through various phases of development; empirical literatures’ attempts to measure the construct haven’t evolved at the same rate. Many times the constructs used to characterize corporate image do not cover all of its scope and conceptual richness. Hence, no unanimously accepted measurement scale has been developed.

Corporate image is all the experiences, impressions, beliefs, feelings and knowledge that the public has about a company. An organization’s image is a reflection of how it is regarded by its multiple stakeholders. Its image stance can help the organization obtain trust and credibility in society, which will assist in the achievement of its objectives and goals (Mahon & Wartick, 2003; Baur & Schmitz, 2011). Corporate image is the consumer’s response to the total offering and is defined as the sum of beliefs, ideas, and impressions that a public has of an organization. It is related to business name, architecture, variety of products or services, tradition, ideology, and to the impression of quality communicated by each person interacting with the organization’s clients. Corporate image may be considered as a function of the accumulation of purchasing/consumption experience overtime and has two principal components: functional and emotional. The functional component is related to tangible attributes that can be easily measured, while the emotional component is associated with psychological dimensions that are manifested by feelings and attitudes towards an organization. These feelings are derived from individual experiences with an organization and from the processing of information on the attributes that constitute functional indicators of image. Corporate image is, therefore, the result of an aggregate process by which customers compare and contrast the various attributes of organizations.

Berman and Evans (1995) considered corporate image as a functional and emotional mixture; that is, the prior experience of coming in contact with enterprises including unexperienced information such as advertising, word-of-mouth effect and prediction meet expectation in the future that has a direct positive influence on satisfaction.

**Dimensions of Corporate Image**

1. **Service Quality**

This is defined as the variation between customer expectations and customer perceptions (Parasuraman et al., 1985). Expectations are the demands of the customers that they sense a service provider. Perceptions comprise the customer’s assessment of the service provider (Lim and Tang, 2000). Parasuraman et al. (1988) presented a more exact meaning of service quality as the total appraisal or attitude concerning the excellence of the service.

Service quality has been linked to corporate image as one of its indicators and as a result its influence on customer loyalty is still under investigation. Ad-El-Salam and Shawky (2013) conducted a study to assess the impact of corporate image and reputation on service quality, customer satisfaction, and customer loyalty in Egypt, and found that there is a significant relationship among the three variables. Agyei and Kilika (2013) in addition assessed the relationship between service quality and customer loyalty and found a relatively strong relationship between the two variables. Their study indicated that three dimensions of service quality namely reliability, assurance, and empathy significantly predicted customer loyalty at the 95% level. Boohene and Agyapong (2011) in their attempt to analyze the
antecedents of customer loyalty of telecommunication industry in Ghana, also indicated that there is a positive relationship between service quality and customer loyalty. This study therefore examined how service quality as an indicator of corporate image relates to customer loyalty.

ii. Physical Evidence

Based on these previous works, the study also considered elements of the extended service marketing mix popularly known in marketing as the seven marketing mix factors or the 7Ps of marketing. From the 7Ps set, the study identified the two aspects of physical evidence and people as they allow the consumer to make judgments on the organization based on attributes that may have aesthetic appeals. Physical evidence involves what customers can see for the first time before deciding on whether to make a purchase. According to Loverlock and Writz (2007), the appearance of buildings, landscaping, vehicles, interior furnishing, equipment, staff members, signs, printed materials, and other visible cues provide tangible evidence of a firm’s service quality. Service firms therefore need to manage physical evidence carefully, since it can have a profound impact on customers’ impressions and loyalty. For services with few tangible elements, such as insurance, advertising is often employed to create meaningful symbols and such has been the case where, for example, insurance companies have used an umbrella to symbolize protection, a fortress, or security.

Concept of Customer Loyalty

Loyalty as a concept has its roots from the consumer behaviour theory and is something that consumers may exhibit to brands, services, or activities. Loverlock and Writz (2007) asserted that loyalty is an old-fashioned word that has traditionally been used to describe fidelity and enthusiastic devotion to a country, a cause, or an individual. More recently, it has been used in a business context to describe a customer’s willingness to continue patronizing a firm over the long term, preferably on an exclusive basis or recommending the firm’s products to friends and associates. Customer loyalty extends beyond behavior and includes preference, liking, and future intentions.

According to Beerli et al. (2002), loyalty has been, and continues to be defined as repeat purchasing frequency or relative volume of same-brand purchasing. Oliver (1999) defined loyalty as a deeply held commitment to rebuy or repurchase a preferred product/service consistently in the future, thereby causing repetitive, same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior. Oliver (1999) defines loyalty as a deeply held commitment to rebuild and re-patronize a preferred product or service in the future despite situational influences and marketing efforts having the potential to cause switching behaviours. Customer loyalty is viewed as the strength of the relationship between an individual’s relative attitude and re-patronage. Although customer satisfaction is a crucial part of a business, satisfaction alone cannot take a business to a top level. Customer satisfaction produces a positive financial result, especially in regular purchases. Today’s unforgiving market where creating and maintaining customer loyalty is more complex than it used to be in the past years. This is because of technological breakthrough and widespread of the internet uses. Loyalty building requires the company to focus on the value of its product and services and to show that it is interested to fulfill the desire or build the relationship with customers (Griffin 2002).

Measures of Customer Loyalty

i. Repeat Purchase

Lin and Liang (2011) define repeat-purchase intention as “the degree to which customers are willing to
purchase the same product or service and it is a simple, objective, and observable predictor of future buying behavior”. Consumer repeat-purchase intention is important to company’s profitability (Jones and Sasser, 1995). Repeat customers are the core source of profit for any business in the world (Gupta & Kim, 2007). For that reason, strategies to attract consumer’s repeat purchase have become an imperative concern for any organization (Qureshi, Fang, Ramsey, McColle, Ibbotson & Compeau, 2009). According to Lien et al. (2011) behaviour intentions have an indicative value. They assist management of organizations to know whether their customers intend to switch to competitors or not. Lam, Shanker, Erramilli and Murthy (2004) points out that repeat-purchase intention can be regarded as an indicator of loyalty. Likewise, consumers who are happy with the products they bought are likely to be loyal to that particular product or brand. According to Bansal, Irving & Taylor (2008) consumers intentions to re-purchase a product or brand strictly depends on the evaluation of the of their prior purchase experience. However, when consumers evaluate their prior purchase experiences, they generally consider aspects such as product performance, service quality and price (Olaru, Purchase & Peterson, 2008). After the evaluation of the previous purchase experience, consumers who are satisfied with the previous purchase are likely to return for repeat purchases (Hamadi, 2010).

Corporate Image and Customer Loyalty of Nigeria Port Authority

Bromley (2003) defines image as the summary of the impressions or perceptions held by external stakeholders. Within this definition, “a self is taken into consideration from the position of the other” (Hatch and Schultz, 2000). Among external stakeholders, the main focus is on customers so that the image is defined not as what the company believes, but what customers believe or feel about the company from their experiences and observations. Bernstein (2004) also corroborates above submission that corporate image includes the attitudes and feelings consumers have about the nature and the underlying reality of the company or the result of how consumers perceive the firm. People seek cues in their relationships to guide them toward behavior that gains social acceptance, a condition necessary for a sense of personal validity. Relationships provide us with sources that help us fulfill our agendas. One of the greatest challenges facing firms today is how to gain an advantage over competitors in satisfying customer needs. This is often demanded by more demanding customers. Thus, businesses must be able to show more concern for customers than the competition in order to gain any competitive advantage.

Zins (2000) and Kandammentpully & Suhartanto (2000) identified a disparate group of leaders of successful organizations who enjoyed a unique and sustained competitive advantage by showing greater concern for customers which was achieved by focusing on building strong relationships. Thus, good corporate image and perceived good relationship are important variables that help customers understand process, recall and recognize information because the customers benefit in other ways from long-term associations with the organization. The perceived relationship benefits add to the perceived value of the product because the relationship is strengthened when customers perceive benefits beyond their satisfaction with the core product.

With respect to customers, researchers found that a strong corporate image increases customers’ confidence in products and services, in advertising claims and in the buying decision (Hatch & Schultz, 2001). Through better customer retention, organizations can achieve price premiums and higher purchase rates. This follows that organizations showing strong image have better access to capital markets, which decreases capital costs and lowers procurement rates, meaning that an organization’s profitability grows with a better image, all things being equal. Several researchers have suggested that image has a positive impact on profitability though they relied on the fortune rankings. For example, higher fortune scores correlate with superior returns overall (Roberts and Dowling, 2007; Vergin and
Qoronfleh, 1998). Thus, since financial performance is a major input to the Fortune rankings, the measure is heavily influenced by a financial halo (Brown and Perry, 2004).

Not only that, Hsieh and Kai Li (2008) refer to good corporate image as a major promotional tool which refers to building good relationships with the company’s public by obtaining favourable publicity and handling or heading off unfavourable rumours, stories and events. They identified three factors for creating permanent relationships with customers as conversational reciprocity, reciprocal empathy and reciprocal vulnerability which are said to be effective via messages that allow information to flow and trust to be built. The links between image and financial performance may not be direct but may be influenced by other variables, such as gaps between image and identity, service offering and customer satisfaction, employee satisfaction cum customer loyalty and gaining competitive advantage. These intervening variables may be antecedents or consequences of a corporate image, which may lead to good financial performance in the long run.

**Service Quality and Customer Loyalty of Nigeria Port Authority**

Among other critical port success factors, service quality has come to signify a key criterion for improving port users’ satisfaction in the maritime transport sub sector. The trend of policies introduced over the years in the sector such as liberalization, commercialization and port concession was born out of the need to address service efficiency through quality improvement in order to meet the increasing demand for seaborne trade and improve competitiveness. Parasuraman Zeithaml, and Berry, (1994) expressed that meeting customers’ expectations among other factors forms a major influence on customer assessment on service performance. With increase in seaborne transportation, compounded with competition, terminal operators are faced with the new challenge of maintaining and improving market share while providing efficient port services to vessels on call, freight owners and other port users. Service quality is a comparison of expectations with performance Teas (1993). With an import capacity of about 35 million tonnes per year Onwuegbuchunam, and Okeudo, (2012) excluding oil, over which about 60% is cleared from the Lagos pilotage district, the need has always arisen for improvement of port service to improve efficiency in leading ports and also enhance competition in growing ports. Hence, the ability of the port to meet its users’ demand becomes essential to maintain reliability.

The port industry has been growing at a phenomenal rate, especially since after the concession of ports in Nigeria. This growth has increased competition for established ports Ugboma, Calistus, and Innocent, (2006), which have naturally experienced reduced customer loyalty. Also transhipment of cargo has increased in competition. Ugboma et al. (2004) suggest that this increase has shifted the focus of service providers to the quality of service offered by port to their customers. Hence, understanding customer’s perception and expectation of service quality at the port becomes a critical factor in the transfer of wealth among nations through the port as a nodal point.

The important role played by expectations in customers’ evaluations of service has been observed in service quality literature (Bolton, and Drew, 1991; Brown, and Swartz, 1989). In the maritime industry it has influenced customers’ choice of port after making comparison among standards (Ugboma, Calistus, and Innocent, 2006). Since the transportation of goods by sea requires continuous improvement to meet the ever dynamic nature of ocean shipping and its related maritime operations (Harding, 2007), the service quality of ports must properly acknowledge the battery of service qualities to determine performance (Parasuraman, Zeithaml, and Berry, 1994). The increasing demand for transport and the ever expanding maritime shipping market has given rise to the developments experienced in the maritime industry. These developments have largely influenced the tonnage of goods
controlled by the industry and the direction of tonnage has been largely influenced by the perception of port users. Several innovations have been employed in the past which has brought significant effects which most times manifest through increase in economies of scale (Stopford, 1997).

On this note, the following hypotheses are hereby stated;

$H_01$: Service quality does not have any significant relationship with repeat purchase of Nigeria Port Authority in Rivers State.

**Physical Evidence and Customer Loyalty of Nigeria Port Authority**

The physical evidence framework recognizes the importance of physical surroundings on employees as well as customers (Zeithaml, & Bitner, 2003). The framework further illustrates that the environment is made up of a combination of environmental dimensions including Ambient Conditions (temperature, music), Physical architecture (layout and furnishing) and Signs (Corporate Branding). According to these researchers, ambience includes weather, temperature, and quality of air, sound, music, smell, colour and light. Physical architecture is all about the way the equipment and furniture are arranged. Signs entail the signage or directions and the décor used to communicate.

Physical Evidence (servicescape) could be seen as the environment in which the service is assembled and in which the seller and customer interact; combined with tangible commodities that facilitates performance or communication of the service (Booms, & Bitner 1992). It is important for service organizations including hospitality entities, to manipulate their physical environment effectively to enhance patronage and increase repeat business (Namasivayam, & Lin, 2008). Remarkably, Bitner (1992), defined physical evidence as the built environment which has artificial physical surroundings as opposed to the natural or social environment. Furthermore, (Namasivayam, & Lin, 2008) described physical Evidence as the physical environment of an organization encompassing several different elements, such as overall layout, design and décor of a store. We therefore hypothesized the following hypotheses;

$H_02$: Physical evidence does not have any significant relationship with repeat purchase of Nigeria Port Authority in Rivers State.

**Methodological Perspectives**

The objective of the study was to investigate on the relationship between corporate image and customer loyalty of Nigeria Ports Authority in Rivers State. This study adopted quantitative research design using a survey method. The accessible population of the study consists of customers of Nigerian Port Authority (NPA) in Rivers State which was randomly selected at Port Harcourt and Onne ports. The questionnaire method was used because it is considered to be cost effective and time saving. The researcher purposively administered twenty (20) copies of questionnaire to the 10 selected shipper’s agency (customers) of Nigerian Ports Authority (NPA) in Rivers State. A sample size of (200) was conveniently drawn from our population of size were customers who were available in the Port premises as at the time the questionnaire were distributed. A total of eighty (200) copies of the questionnaire were administered to the respondents, and after retrieval and data cleaning, seventy-six (174) copies were used for analysis. The Spearman Rank Correlation statistical tool was used to analyze the raw data with the aid of Statistical Package for Social Sciences (SPSS). The collected raw data were tabulated and evaluated with the application of the 5-point Likert scale (Walton, 1975).
Table 3.1: List of Shipping Agency (customers) of Nigerian Ports Authority in Rivers State

<table>
<thead>
<tr>
<th>S/N</th>
<th>SHIPPING AGENCY</th>
<th>NO OF RESPONDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Alpha Vintage Cargo Services Limited Port Harcourt Airport, Omagwa, Port Harcourt, Rivers State, Nigeria</td>
<td>20</td>
</tr>
<tr>
<td>2.</td>
<td>Benad Forwarders Nigeria Limited 19 Ekere Street, Rumuobiakani, Port Harcourt, Rivers State, Nigeria</td>
<td>20</td>
</tr>
<tr>
<td>3.</td>
<td>Candid Logistics Nigeria Limited 43 Aba Road, Port Harcourt, Rivers State, Nigeria</td>
<td>20</td>
</tr>
<tr>
<td>4.</td>
<td>Divine Marine Shipping Ltd 10 King Perekule Street GRA Phase II, Port Harcourt, Rivers State Nigeria</td>
<td>20</td>
</tr>
<tr>
<td>5.</td>
<td>EFK Logistics Nigeria Limited Plot 6, Michael Amadi Close, New Airport Road, Port Harcourt, Rivers State, Nigeria</td>
<td>20</td>
</tr>
<tr>
<td>6.</td>
<td>Ideke Shipping Limited Plot 465a Trans-Amadi Industrial Layout, Port Harcourt, Rivers State</td>
<td>20</td>
</tr>
<tr>
<td>7.</td>
<td>NES Shipping Limited 20, Chinwona Street, Off Int'l Airport Road, Rumuodomaya, Port Harcourt, Rivers State, Nigeria</td>
<td>20</td>
</tr>
<tr>
<td>8.</td>
<td>Cenoux Logistics Limited Plot A4 Trans-Mad, Industrial Layout, Port Harcourt, River State, Nigeria</td>
<td>20</td>
</tr>
<tr>
<td>9.</td>
<td>Sailbond Shipping 66 Ordinance Road, Trans Amadi Industrial Layout, Port Harcourt, Rivers State, Nigeria</td>
<td>20</td>
</tr>
<tr>
<td>10.</td>
<td>Waterlane Resources Limited 43, Aba Road/Kaduna Street Junction, Port Harcourt, Rivers State, Nigeria</td>
<td>20</td>
</tr>
</tbody>
</table>

TOTAL 200

Source: Nigeria Shippers Council, Rivers State Chapter, 2021

Analysis and Results

The study data was analyzed based on its aim, to examine if there is a significant relationship between the dimensions of corporate image and the measures of customer loyalty, and the variation of such relationship. The data from the analysis is showed below -while conclusions were made based on the findings.

Descriptive Analysis

A total of 200 copies of questionnaire were administered, out of which 174 were returned and correctly filled for the purpose of analysis. The table below shows the response rate of the field data collection.
Table 4.1: Response Rate for Field Data Analysis

<table>
<thead>
<tr>
<th>Questionnaire Distribution and Retrieval</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retrieved and usable</td>
<td>174</td>
<td>87</td>
</tr>
<tr>
<td>Not Retrieved/Retrieved but not Usable</td>
<td>26</td>
<td>13</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Field Survey Data, 2021

From the table above, two hundred (200) copies of questionnaire were distributed to top customers of Nigeria Port Authority. Out of the two hundred (200) copies of the questionnaire, one hundred & seventy four (174) corresponding to 87% copies were completely filled, retrieved and useful, which were used for analysis while twenty six (26) copies corresponding to 13% were among the not retrieved or retrieved data but invalid for the analysis. See graph below:

Hypothesis One

H$_{01}$: There is no significant relationship between service quality and repeat purchase of Nigeria Ports Authority in Rivers State.

Table 1: Statistical Analysis for Hypothesis One

Spearman Correlation Showing Relationship Between service quality and repeat purchase

<table>
<thead>
<tr>
<th>Spearman's rho</th>
<th>Service Quality</th>
<th>Repeat Purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Correlation Coefficient</td>
<td>1.000</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>174</td>
</tr>
<tr>
<td>Repeat Purchase</td>
<td>Correlation Coefficient</td>
<td>.766**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>174</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

The research hypothesis one states that there is no significant relationship between service quality and repeat purchase. As shown in the statistical testing of hypothesis one, a significant relationship was revealed to exist between service quality and repeat purchase, this is shown in the correlation (r) value of 0.76 (76%). The null hypothesis one was therefore rejected and the alternative hypothesis one accepted. Thus, there is a significant relationship between service quality and repeat purchase. This implies that the quality of services rendered by the Nigeria Port Authority makes customers to patronize more. In submission of Ugboma, Calistus, and Innocent, (2006), the port industry has been growing at a phenomenal rate, especially since after the concession of ports in Nigeria. This growth has increased competition for established ports, which have naturally experienced reduced customer loyalty. Also trans-shipment of cargo has increased in competition. Ugboma et al. (2004) suggest that this increase has shifted the focus of service providers to the quality of service offered by port to their customers.

Hypothesis Two
**H₀₂:** There is no significant relationship between physical evidence and repeat purchase of Nigeria Ports Authority in Rivers State.

### Table 2: Statistical Analysis for Hypothesis Two

Spearman’s Correlation Showing Relationship between physical evidence and repeat purchase

<table>
<thead>
<tr>
<th></th>
<th>Physical Evidence</th>
<th>Repeat Purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Spearman's rho</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Physical Evidence</td>
<td>Correlation Coefficient</td>
<td>1.000</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>174</td>
</tr>
<tr>
<td>Repeat Purchase</td>
<td>Correlation Coefficient</td>
<td>.883**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>174</td>
</tr>
</tbody>
</table>

**.** Correlation is significant at the 0.01 level (2-tailed).

The research hypothesis two states that, there is no significant relationship between physical evidence and repeat purchase. As shown in the statistical testing of hypothesis two. A significant relationship was revealed to exist between physical evidence and repeat purchase, this is shown in the positive correlation (r) value of 0.88 (88%). The null hypothesis two was thus rejected and the alternative hypothesis two accepted. Therefore there is a significant relationship between physical evidence and repeat purchase. This implies that the physical evidence as portrayed by the Nigerian Port Authority can enable customers to patronize more. In submission of Booms, & Bitner (1992), Physical Evidence (services cape) could be seen as the environment in which the service is assembled and in which the seller and customer interact; combined with tangible commodities that facilities performance or communication of the service. It is important for service organizations including hospitality entities, to manipulate their physical environment effectively to enhance patronage and increase repeat business (Namasiviyam, & Lin, 2008).

### Conclusions

With respect to customers, researchers found that a strong corporate image increases customers’ confidence in products and services. A good corporate image stimulates purchase by simplifying decision procedures for customers. The common link between image and satisfaction is perceived quality. A good corporate image for high quality means more customers, fewer dissatisfied customers and invariable increases in profits which put the organization on a favourable competitive advantage. Loyal customers are more likely to repurchase the same service or brand, provide positive word-of-mouth and be willing to pay a premium price. One of the challenges confronting organizations today is how to gain advantage over its competitors via satisfying the needs of its customers and achieving its goals of profit maximization and image building. Further, the impact of physical environment on word of mouth was also significant, which suggests that both internal and external physical work environment needs to be conducive, well ventilated; attractive, appealing, and free of hazards in order to get the best from the customers and employees.

### Recommendations

In view of the above conclusions, the following recommendations are considered relevant;
i.) The study recommends that management of Nigeria Port Authority should intensify effort in projecting the image of the organization through quality service rendering in form of prompt response to the need and expectations of their customers.

ii.) The physical surroundings of the organization should also be put to cognizance as well meaning and potential customers get attracted to such measures like ambient conditions, parking space, and most importantly, the general working operation of the organization.

iii.) Customers only switch to rival company when they are not satisfied. Therefore, the need to be more proactive in service innovation and service offering should be put to work in the organization so as not to lose potential customers to competitors.

References


