

Customer Relationship Management and Customers Repeat Purchase Behavior in Nigeria

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Abstract

Review Article

This paper examined the impact of customer relationship management on repeat purchase behavior of customers in Nigeria. The paper reveals that effective Customer Relationship Management (CRM) organisations would help to build, maintain and retain their customer and that would invariably result in their having increased market share and competitive advantage over others in the business. It will also increase the profitability of the company through increased productivity and patronage. This is so because when CRM is effectively implemented, customers have sense of belonging and become committed to the growth and development of the organization. In a bid to meet customers' expectation or satisfaction through CRM, the company and their employees would become more effective and efficient. It also leads to creation of loyal and committed customers thereby reducing expenses on advertizing or other activities geared towards getting new ones. It recommended that: the management various organisations should establish a healthy communication relationship that would give customers sense of belonging and care for continuous patronage; the management of the organization should adopt programmes that would build customers' trust for their companies and convince customers of their reliability and dependability in service delivery; the management of should invest more activities that would enhance partnership or collaboration with the customers in order to increase patronage.

Keywords: Customer Relationship Management, Customers Repeat Purchase, Behavior, Organisation, Nigeria.

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INTRODUCTION

Every organization have its peculiar way of interacting or relating with the people that patronize them. This mode of interaction or relationship often directly or indirectly affects both the customers and the organization and hence needs to be managed. In the words of Padmavathy (2012), customer relationship management is a set of customer-oriented activities supported by organizational strategy and technology, and is designed to improve customer interaction in order to build customer loyalty and increase profits over time. Conceptualized from customers' perspective, Reinartz (2004) view customer relationship management as a systematic process to manage the customer relationship initiation, maintenance, and termination across all customer contacts points in order to maximize the value of the relationship portfolio. Dimensions of customer relationship management include: communication, trust, commitment, assurance, partnership, engagement among others. Communication

involves continuous process of exchanging, sharing, sending and receiving information between two or more people. Trust is the confidence both parties in a relationship have that the other party won't do something harmful or risky. Businesses develop trust by standing behind their promises. Commitment involves a long-term desire to maintain a valued partnership. That desire causes the business to continually invest in developing and maintaining relationships with its customers. Assurance means developing operational controls to ensure that the results match the desired outcomes. Customer service operations are designed to keep customers satisfied while protecting the organization. Partnerships are the mutually beneficial collaboration between two businesses with the shared interest of developing marketing strategies to increase brand awareness and promote their products and services to the right target audience or consumer (Anniekie, and Berndt, 2015). The utmost objective of transport companies is increased patronage which may

be achieved through repeat purchase or retention of existing customers while canvassing for more.

According to Porter (2017), repeat purchase is the purchase by a consumer of same-brand or product as bought on a previous occasion. A repeat purchase is an indicator of a degree of customer loyalty to a brand. It is also an opportunity for marketers to establish long-term customer relationships. In the 21st century, relationship management of consumer (CRM) is the most competitive edge in this market for gaining customer's satisfaction. Over the last 35 years, the relationship management of consumer has been an integral part of marketing for scholars and partitioners (Parvatiyar & Sheth, 2011). We live in a world of competition where individuals and organizations struggle to outdo one another. In different areas of human endeavour, be it education, business, parenting, dating, governance, warring, sports or transport as concerns this study, there is always a competition going on as one group (company) tries to outdo the others or one individual tries to perform better than the others. In the business world, especially in a capitalist economy like Nigeria, competition enjoys greater prominence as it forms the bedrock for the survival of a business organization. For a business to continue to exist and satisfy the purpose of the ownership, management, staff, society and other stake holders must be able to survive the competition posed by other businesses with similar products and objectives. As businesses compete, they rely heavily on management of the company to outdo one another (Crosby, 2020). Therefore, this paper examines how the practice of customer relationship management can help to enhance repeat purchase behavior of customers in Nigeria.

Empirical literatures on customer relationship management and consumer repeat purchase behaviour

Ama (2019) studied Customer Relationship Management (CRM) and customer retention in insurance companies in Ghana. The objective of the study was to identify critical factors necessary for customer retention in carrying out customer relationship management practices in the selected insurance company and to develop effective customer relationship management practices to manage customer retention for sustainability within the insurance industry using NSIA Insurance as a case study. The study adopted descriptive research design using structured questionnaire and face-to-face interview as the instruments for data collection. A sample size of 40 respondents was used; they were made up of customers and the staff who were fully involved in customer relationship management of the insurance company. Data collected from the completed questionnaires and the interviews were analyzed using frequency tables, percentages with the aid of Statistical Package for Social Sciences (SPSS). The finding of the study shows that even though NSIA insurance has policies on

customer relationship management practices, these policies are not carried out fully to accomplish the ultimate goal of customer retention. The study recommended that for the insurance company to command an adequate number of loyal customers, NSIA Insurance should consistently improve on its quality of service to address the preference of the customers and consider the five service quality constructs of reliability, assurance, tangibility, empathy and responsiveness. The study by Ama is related to this present study in that it dealt with Customer Relationship Management (CRM) and customer retention. However, it differs from it because Ama's study focused on customer retention while the present study focused on customers repeat purchase.

Sufyan and Mohammed (2019) studied impact of consumer relationship management on consumer satisfaction in banking sector of Pakistan. The objective of the study was to investigate the impact of CRM on Satisfaction of consumer in Pakistan. It adopted a descriptive research design with data collection done with structured questionnaire. The population of the study was 350 respondents residing in Lahore which also served as the sample size. The research method which was used for exploration is quantitative research method. Demographic analysis, Regression, correlation Analysis and Cronbach's Alpha were run in SPSS to verify the devised model. The finding of this study showed that consumer relationship management has potential to influence the satisfaction of consumer. The above study is related to the present one in that it dealt impact of consumer relationship management; but it differs from it because the former focused on consumer relationship management and consumer satisfaction while the present study focused on consumer relationship management and repeat purchase.

Olga (2011) studied influence of Customer Relationship Management (CRM) on consumer loyalty in agricultural companies in Ukrain. It aimed at finding out how Customer Relationship Management determines the loyalty of customers in agricultural companies in Ukrain. Descriptive research design was used for the study while data were collected using structured questionnaire. The population of the study was 1345 farmers in the city of Ukrain while sample size was 345 selected using simple random sampling techniques. Data collected were analyzed using mean, standard deviation and t-test. Finding showed that the customer loyalty is determined by high satisfaction and commitment level. The customer perceives all the benefits which a product grants; past positive experience decreases the risk during purchase decision making and minimizes the time for evaluation of proposed purchase variants; Positional advantage directly influences customers' satisfaction and loyalty. The stronger the company's positional advantage the higher the satisfaction and loyalty are and vice versa. According to analysis results, Customer Service and

Competitors Perception influence customer satisfaction, while Customisation, Community Building and Competitors Perception have an impact on customer loyalty creation. The above study is related to the present one in that it dealt on the influence of consumer relationship management on consumer loyalty; but it differs from because the former did not examine effect of CRM dimensions like communication, trust, assurance, commitment and partnership on repeat purchase.

Andrey (2016) studied Customer Relationship Management in Public Transportation: A Comparative Analysis in the city of Karlstad and Kaliningrad, Russia. Descriptive research design was adopted while structured questionnaire was used to collect data for the study. The population of the study was 4335 people of Kaliningrad while the sample was 456. Data collected were analyzed using descriptive statistics while hypotheses were tested with z-test statistical tool. Findings of the study showed that: passengers tend to voice their complaint to a frontline employee (the driver or conductor); customers consider a verbal complaint as the most probable and adequate reaction to a negative service experience on their behalf and customers has sufficient access to the required means of complaint (i.e., phone, internet, alternative means of transportation, etc.). The above study is related to the present one in that it dealt consumer relationship management; but it differs from it because the former was comparative study of two towns, that is: Karlstad and Kaliningrad while the present study is not. The former study dealt with factors like: Service Management, Public Transportation, Service Quality, Customer Complaint Behavior, Behavior Pattern while present study dealt with CRM dimensions like communication, trust, assurance, commitment and partnership on repeat purchase.

Theoretical Framework on relationship marketing

There are several theories that support this study but this study is anchored on the theory of relationship marketing by Berry (1983) and Jackson (1985) (Wikipedia, 2019). Relationship marketing Theory was first proposed by American marketing scholars: Berry (1983) and Jackson (1985). Berry (1983) argued in a conference about the field of service marketing that relationship marketing is a marketing activity for enterprises to obtain, maintain and promote effective relationships with customers. After a long-term study on the marketing process of the service industry, it was concluded that the ultimate goal of enterprise marketing is not only to develop new customers but also to focus on maintaining existing customers. Ultimately, the goal is to improve the long-term interests of both parties through cooperative relationships. The study also argues that the cost of maintaining an old customer is far lower than the cost of developing a new customer and that maintaining a relationship with old consumers is more economical

than developing new customers. Jackson (1985) further modified the concept in the aspect of industry marketing. He argued that the essence of relationship marketing is to attract, establish and maintain a close relationship with enterprise customers. The relationship marketing theory is relevant to this study in that it emphasizes benefits derivable from maintaining and retaining existing customers. It shows that it is cheaper to maintain already existing customers than getting new ones. It follows therefore, that customer management relationship which is in line with the theory of marketing relationship enhances repeat purchase and consequently retention of customer in a company.

Customer Relationship Management (CRM)

According to Swift (2011), CRM is an enterprise approach to understanding and influencing customer behaviour through meaningful communications in order to improve customer acquisition, customer retention, customer loyalty, and customer profitability. It is the strategic use of information, processes, technology, and people to manage the customer's relationship with one's company (Marketing, Sales, Services, and Support) across the whole customer life cycle (Kincaid, 2013). Additionally, Parvatiyar and Sheth (2011) defined CRM as a comprehensive strategy and process of acquiring, retaining, and partnering with selective customers to create superior value for the company and the customer. It involves the integration of marketing, sales, customer service, and the supply-chain functions of the organization to achieve greater efficiencies and effectiveness in delivering customer value. Customer Relationship Management (CRM) practices are business strategies designed to reduce costs and increase profitability by solidifying customer loyalty. From the customer perspective, Buttle (2004) views it as a systematic process to manage the customer relationship across all customer contact points in order to maximize the value of the relationship portfolio. Also Masrujeh (2012) defined CRM as a set of customer-oriented activities supported by organizational strategy and technology, and is designed to improve customer interaction in order to build customer loyalty and increase profits over time.

Peel (2002) defined CRM as understanding the nature of the exchange between customer and supplier and managing it appropriately. The exchange contains monetary considerations between supplier and customer – but also communication. The challenge to all supplier organizations is to optimize communications between parties to ensure profitable long-term relationships. CRM is a key focus for many organizations now as a shift away from customer acquisition toward customer-retention and churn reduction strategies dictates a need for best practice of CRM processes (Peel, 2002). Customer Relationship Management is also a concept of identifying customer needs; understanding and

influencing customer behaviour through ongoing communications strategies and an effort to acquire, retain and satisfy the customer (Rootman, 2006). Customer Relationship Management is more than simply managing customers and monitoring their behaviour or attitude; it has the potential to change a customer's relationship with a company and increase revenues in the bargain. It also helps to know the customers well enough to decide whom to choose and whom to lose. The objective of CRM is to recognize and treat each and every customer as an individual. Customer relationship management enables organizations to provide excellent real-time customer service through the effective use of individual account information (Kotler and Keller, 2016).

According to Picton and Broderick (2015), CRM is a view that emphasizes the importance of the relationships developed between an organization and its customers. It involves the strategic and tactical management tasks to achieve positive communications and long term customer relationships. Berkowitz (2016) also defines customer relationship management (CRM) as the organization's attempt to develop a long-term, cost-effective link with the customer for the benefit of both the customer and the organization. CRM is an exhaustive framework which coordinates innovation to grow long haul commonly advantageous associations with the customers. CRM is a far reaching approach that gives consistent coordination between all client confronting capacities (Masrujeh 2012). CRM helps the business association in distinguishing, choosing, obtaining, creating and holding present and potential clients that are beneficial to the association. Relationship management of consumer (CRM) has become the most popular and most effective sector in this competitive environment. Relationship management of consumer (CRM) ensures the relationship with the customers due to the effective strategies and increases the market share or profit (Masrujeh 2012).

Relationship management essentially represents a paradigm shift within marketing- away from an acquisitions/transaction focus towards retention/ relationship focus. Relationship marketing (or relationship management) is a philosophy of business, a strategic orientation that focuses on keeping and improving relationship with current customers rather than on acquiring new customers. This philosophy assumes that many consumers and business customers prefer to have an ongoing relationship with one organization than to switch continually among providers in their search for value. Building on this assumption exposes the fact that it is usually much cheaper to keep current customers than struggling to attract new one. Successful marketers are working on effective strategies for retaining customers (Zethaml, Bitnew and Gremler, 2006). The primary goal of relationship marketing is to build and maintain a base of

committed customers who are profitable for organization (Zerthaml *et al.*, 2006).

Consumer Repeat Purchase Behaviour

Kotler and Keller (2016) stated that consumer purchase behavior is the study of the ways of buying and disposing of goods, services, ideas or experiences by the individuals, groups and organizations in order to satisfy their needs and wants. It is a process through which inputs and their use lead to satisfaction of needs and wants. Alternatively, consumer buying behavior refers to the buying behavior of final consumers, both individuals and households, who buy goods and services for personal consumption (Kumar, 2010). Consumer buying behavior involves the process of choosing, purchasing, using and disposing of products or services by the individuals and groups in order to satisfy their needs and wants. Similarly, Schiffman and Kanuk (2020) describe it as behavior that consumers express when they select and purchase the products or services using their available resources in order to satisfy their needs and desires. In light of all these definitions, Kotler and Keller (2016) highlight the importance of understanding consumer buying behavior, and the ways or how the customers choose their products and services can be extremely important for manufacturers as well as service providers as this provides them with competitive advantage over its competitors in several aspects. For example, they may use the knowledge obtained through studying the consumer buying behavior to set their strategies towards offering the right products and services to the right audience of customers reflecting their needs and wants effectively.

Blackwell (2016) views consumer buying behavior as the study of how and why people consume products and services. Consumer purchase behavior is considered to be an inseparable part of marketing. Marketers' point of view issues specific aspects of consumer behavior that need to be studied which includes: the reasons behind consumers making purchases, specific factors influencing the patterns of consumer purchases, analysis of changing factors within the society and others. Blackwell (2016) declared that consumer purchase behavior is itself a complex, dynamic issue which cannot be defined easily. Egen (2017) also focused on the importance of understanding the consumer behavior in which he stated that better awareness of consumer buying behavior has a positive contribution to the country's economic state. A repeat purchase according to Oliver, (2014) is the purchase by a consumer of a same-brand product as bought on a previous occasion. It is an indicator of a degree of customer loyalty to a brand. A repeat purchase is also an opportunity for marketers to establish long-term customer relationships. It involves the actions taken (both online and offline) by consumers before buying a product or service. This process may

include consulting search engines, engaging with social media posts, or a variety of other actions (Oliver, 2014).

Repeat Purchase also known as Repurchase or Replacement Sale is when consumer purchases the same brand that replaces the previous purchase which is already consumed. Brand loyalty can be measured through repeat purchase of the brand (Wikipedia, 2019). In order to increase repeat purchase there is need to pay more attention to customers than competition, and then repeat purchases can be garnered. Either as salesperson or a corporate organization, repeat sales are necessary to make profits. Statistics have shown that it costs more to attract new customers than to retain existing customers because of high costs of advertising and promotions (Business Dictionary, 2018).

Ehrenberg (2020) opined that repeat- buying is any situation where a person buys the item in question more than once. It is one aspect of the way in which consumers buy fast - moving goods. These are the kinds of products which are bought fairly frequently, like the various lines of transport services, health services and so on, which tend to be generally available at different outlets. In as far as the same person patronizes any particular company offering those services more than once within a relatively short time- period, such as a week, a month, or a year, the notion of repeat- purchase becomes particularly relevant. The factors involved in the buying situation are highly varied (Ehrenberg, 2020). The kinds of products dealt with here are typically services delivered in different form. Some products are bought more or less as necessities or staple commodities (Ehrenberg, 2020). These various distinctions might affect the regularity with which the items were bought, i.e., their repeat- buying patterns (Ehrenberg, 2020).

Communication Dimension of CRM and Repeat Purchase Behavior of Customers

Oliver (2014) declared that one of the main principles of marketing communication today is synergy and interaction. When creating and implementing a marketing mix, it is very important that the tools work consistently, synergistically and interactively. In the practice of marketing communication, these instruments should be as closely as possible linked to achievement of all synergies and, inter alia, to the purpose of saving funds. According to Tuten and Solomon (2015), marketing communication is evolving and has so far gone through three stages - traditional, tradigital and currently is undergoing a socio-media stage. These stages depend on the overall nature of marketing in a given period. Obiora (2018) noted that it is through effective communication that the company can properly relate with the consumer, understand, educate and inform him. It is also through effective communication that the consumer will relate with, understand and believe the company. If for any reason a marketing programme is not properly

communicated, the consequence will be a misunderstanding or ignorance of the marketing objectives of the company by the consumers (Obiora, 2018). To package a marketing programme without proper communication will lead to waste of resources and failure of the marketing activity. It will also give the competitors advantage over the company and generally lead to poor returns and profitability.

According to Kotler (2016), five marketing philosophies guide a company's selling efforts; the fourth concept of the marketing concept focuses on the needs of the buyer. This is believed to be a crucial concept for the success of any organization as many scholars agree that it leads to superior performance and firm profitability, (Racela, 2014). Levit (2020) explained that companies should define what business they are in, and that this question plays an important role in determining the growth of the company. He argued that the failure of any firm is not as a result of competition or saturation of the market but is due to failure of management. He clarified that a business that focuses on the customer and not production tends to do better. He also argued that segmenting customers makes it possible to be accountable to each customer and therefore obtain early warnings for those customers that might be considering switching to another service provider. This means that knowledge about customers can enable firm to take necessary measures so that they do not lose their customers. It is important for organization to focus on key customers and this has an impact on customer outcomes that is; customer satisfaction, loyalty and retention (Yim, Anderson, & Swaminathan, 2004).

According to Day (2003) an organization has to have the ability to retain and develop close relationships with customers. This helps the organization to know their customers and therefore creates value once they know what their customers' preferences are. It enables organizations to provide specific products and services tailored to a specific customer. A study carried out by Wanjau (2011) showed that most organizations did not invest enough into research to understand how the customers should be recognized and uplifted through effective communication. According to Shy and Stenbacka (2011), a firm can gather two kinds of information that could improve her communication and enhance customer recognition; first, the information about their valued customers, the ones that they have established relationships with and second the information about what these customers prefer. They introduced three types of consumer recognition namely; identity recognition and this is where firms simply identify their customers but not their preferences, secondly asymmetric preference recognition whereby they identify both customers and their preferences, and lastly symmetric preference recognition and this is when they identify customers, their preferences and preferences of

customers that purchase from rivals, and here firms in same industry share information about their customers' preferences. Shy and Stenbacka (2011) pointed out that firms benefit from recognizing their customers' preferences regardless of whether the information is shared or not, but the exchange of information reduces gains from customers and customers prefer that they do not share information.

Trust Dimension of CRM and Repeat Purchase Behavior of Customers

Gabbott and Hogg (2018) revealed that consumers are more likely to purchase well-known brand products with positive brand image as a way to lower purchase risks. When facing various product brands with similar functions and qualities, promotion is a great incentive for purchase decision. Consumers are perceived to act as rational beings, choosing travel means most likely to offer them maximum utility. Ling (2010) declared that trust acts as a key role in creating fulfilled and expected outcomes in online transactions. Transactions will happen when there are motivation and trust between seller and buyer. He added that trust is a critical element affecting consumer behavior in patronizing company's goods and service

According to Ngambi and Ndifor (2015), marketers build social bonds with customers by viewing them as clients who are not nameless faces. This means that they should try to find out everything about their customers so that they can create a bond with their customers. Interaction with their customers on a personal level helps the company in that customers feel a sense of belonging and closeness with the brand and service provider. It also helps companies to offer solutions that are directly linked to the customers' needs, because by interacting with their customers they can determine the needs and wants of the customers. Sadek (2011) stated that transportation companies are expected to know who their customers are and to determine the customer group that produces higher profits. They should also know what factors keep their customers happy and so as to influence their loyalty. This means that focus should always be on the customer and what they need. In the argument of Boohne (2012), an improvement in the market orientation practice will lead to high business performance thus ensuring the long term survival of the businesses. The long term survival of business is based on the retention of customers meaning that if business performs well then customers are most likely to come back to repurchase services and remain loyal. According to Homburg (2011) maintaining a high-level of customer oriented service helps in building long term agent-customer relationships and identifying the highest level of customer orientation can help an agent maximize his customer relationship potential to achieve maximum sales results. The ultimate goal for any organization is profitability and continued survival and to achieve this

companies have to maximize efforts and make their customers a priority.

Commitment Dimension of CRM and Repeat Purchase Behavior of Customers

Dick and Basu (2014) opined that commitment is an important determinant of the strength of a customer relationship management strategy and a useful construct for measuring the likelihood of customer loyalty and predicting future purchase frequency. They argued that it is one of the most common dependent variable used in buyer-seller relationships. In buyer-vendor contexts principally in the trade-to- patron relationships, commitment is unique as an aspiration for sustained relationship and an effort to make sure its protection or as a pledge for relational balance between exchange partners. Commitment is based on affective explanations such as emotional attachment, belonging, and admire for the companion, manifested within the type of a liking to develop and toughen the connection with a further individual or crew (Kotler, 2016)). It is explained in phrases of the similarity of values and targets among partners, implying that relationship members share beliefs about correct and valuable behaviours and objectives. Commitment is in most cases used to investigate both man or woman and behaviour in firms and mark out types of action characteristic of specific sorts of persons or organizations (Wong and Sohal, 2012). Within the marketing literature, it is believed that commitment is a permanent desire to keep a valued relationship. This implies a larger stage of responsibility to make a relationship be triumphant and to make it collectively pleasant and priceless.

According to Bowen (2015), customers who provide repeat business and also hold a positive attitude toward the brand are true committed customers. He also defined those that hold a favourite attitude toward a brand but purchase occasionally as latent customers and customers whose high-frequency purchases is not based on favourite attitude, but are led by habits, conveniences or financial incentives, are classified as having spurious commitment. Finally, customers who display a low level of repeat purchase and attitudinal attachment are low-committed customers. Customers will be committed to the services that are offered by a particular service provider, and will continue using those goods and services even if a better offer comes along. It is believed that the customer carries a particular bond with an organization and therefore it is emotional. According to Brink and Brendt (2018), the only way to keep some customers committed is by giving them a reason to be committed. The aim for businesses should be to make customers satisfied and the more customers are satisfied, the more they become committed to the company's brand and keep coming back for more. Lombard (2011) argued that in order to establish customer commitment, there is need to concentrate on two way communication and conflict

handling and that implementing communication strategies and conflict handling strategies increases commitment which will in turn increase profitability and sustainability of the firm. Relationship marketing is believed to work if marketers adopt a customer management orientation. It emphasizes on the importance of customer lifetime values and retention (Kumar & Reinartz, 2003). Customer Relationship Management improves performance of businesses and is done so by increasing customer satisfaction which in turn increases customer commitment. Customer satisfaction increases because the information that firms gather about their customers give them a better understanding of what they need and therefore create improved customer value propositions. If customer satisfaction rises, so does customer intention to repurchase (Buttle, 2004). If the customer is satisfied with products/services of the company, he becomes loyal to it and committed (Oliver, 2019). Commitment of many buyers, resulting in constant purchases, can enlarge company's market share and increase company's profitability.

Assurance Dimension of CRM and Purchase Behavior of Customers

As most organizations are charting their ways to shift from transactional focus marketing towards relationship building, enhancing and maintenance marketing, assurance marketing remains one of the fundamental strategies to adopt for the realization of set goals. The shift is necessary in view of several challenges facing the most businesses today especially the service industry (Dibbs, 2021). Most organizations strive to build and enhance relationships for their clients for long term benefits. But then, the problem of managing such relationships with their customers becomes a problem (Dibbs, 2021). A customer-focused service culture could be developed through assurance. This is achieved by assuring customers that they will have or receive the best, expected and desirable experience in purchasing and dealing with the company.

Assurance enhances customer-focused service culture and that revolves around the needs and wants of the customer; having appreciated the importance of the rationale and processes of relationship marketing. The transport enterprise needs to decide on this approach to organize and manage relationships with customers. The basis is that ongoing, long-term relationships through assurance are essential for a business' viability and market performance. Marketing managers should devote their energy to develop and maintain relationships with customers by guaranteeing the quality or efficacy of goods or services sold to them. Long-term assurance entails ensuring that customers get what they expect from the product at all times (Gummesson, 2019). Sufyan and Mohammed (2019) revealed that assurance is one of the basic obligations of advertising gives guarantees and impression of the

trustworthiness of the company in fulfilling their promise.

Partnership Dimension of CRM and Purchase Behavior of Customer

Wong and Sohal (2012) demonstrated that both suppliers and customers can benefit from engaging in closer working relationships and partnerships. They added that collaboration with customers is a valuable way to achieve both innovation and economic success. They identified a number of potential benefits arising from partnering such as new product ideas, enhanced product development effectiveness, and even reduced time to market for new products. As a result, they advised firms to utilize partnering to improve their new product success rates. Increasingly, these and other companies are involving customers in their entire new product development process. This is done to reduce uncertainty, share financial risks, and provide input into key decisions in the development process. It is likely that the possibilities for co-development with customers will increase further as new information technologies enable an integration of structures, systems, and processes (Sohal, 2012).

Saadat, and Nas (2013) noted that customer partnering requires a huge investment in managerial time and resources, and a failed project may represent significant lost opportunity costs. Customer partnerships improve the market performance of new products. They also stated that customer partnerships enhance product or internal company factors which have been previously demonstrated to drive new product success. Partnership projects are compared with in house projects on new product performance measures (such as profitability, timeliness, and meeting objectives) and on four key drivers of new product performance (new product advantage, fit with existing resources, quality of execution of the new product process, and senior management commitment) (Saadat & Nas, 2013). Because customer partnering in new product development appears to be a logical outcome of firms' desire to better understand their customers' needs, the tone of academic and business literature on co-development with customers has generally been positive. Two major reasons have been advanced in the new product development (NPD) literature to explain why customer partnering may increase new product success rates. The first reason is that customers can provide major inputs which improve the quality of innovation. A number of studies have suggested that the knowledge gained from firsthand contact with customers allows the manufacturer to capture market information more effectively in product design. In addition to market information (Saadat & Nas, 2013).

Hakansson (2019) suggests that new and more innovative ideas or new ways of combining resources may emerge through partnerships as different kinds of knowledge from each partner are combined. The second

rationale given for customer partnering is the complexity of many industrial products. A developing company often does not possess the necessary knowledge or expertise to design, test, manufacture, and commercialize the product in-house. Close partnerships with customers during product development may provide access to development capabilities and other resources that the manufacturer lacks-in-house. As a result, partnerships can shorten development time and reduce development costs. Despite the enthusiasm for customer partnering in new product development, there is some evidence to suggest that such partnerships do not automatically guarantee success. John (2020) warns that a manufacturer may end up as nothing more than a subcontractor for key customers. Bidault and Cummings (2018) argue that the tension between the logic of new product development and partnering may offset possible economic and technological advantages. For example, difficulties may arise in new product development partnerships because of disagreements on the allocation of property rights. In a series of qualitative interviews with both customers and suppliers, Schrader and Gopfert (2018) conclude that co-development with customers may result in inefficient new product development due to customers' limited domain of expertise. Barton (2016) also highlights the uncertainty associated with involving customers in new product development arising from issues such as partner selection, determining the timing and intensity of customer involvement, customers' ability and willingness to provide the right kind of knowledge, and the nature and extent of the knowledge to be embodied. Other risks include damaged relationships with key customers; negative publicity due to premature dissemination of positive test results; and the generation of inaccurate or unrepresentative feedback. While existing evidence on the results of customer partnering on new product development is somewhat contradictory, one recurring theme in the NPD literature is that a strong market and customer orientation is fundamental to superior new product performance.

Issues, Gaps and Outcomes on customer relationship management and consumer patronage behavior

Several studies have been conducted on customer relationship management and consumer patronage behavior. Some of these studies include: Ama (2019) who studied Customer Relationship Management (CRM) and customer retention in insurance companies in Ghana; Sufyan and Mohammed (2019) that studied impact of consumer relationship management on consumer satisfaction, loyalty programs and customer, retention in banking sector of Pakistan; Olga (2011) who studied influence of Customer Relationship Management (CRM) on consumer loyalty in agricultural companies in Ukraine; and Andrey (2016) that studied Customer Relationship Management in Public Transportation: A Comparative Analysis in the city of Karlstad and Kaliningrad,

Russia. The focus of these studies was to develop reliable strategies for establishing friendly relationship between a company and their customer for increased sustained patronage in the contemporary competitive business environment. That is reconciling the objective of the consumer which is to maximize satisfaction and that of the producer which is to maximize profit. This gives credence to the concept of consumer sovereignty which holds that consumers are lords in the free enterprise society. It also validates the centrality of the consumer in determining the profitability of every economic venture. This understanding accounts for why entrepreneurs, managers or proprietors of businesses adopt every possible strategy to increase their market share, consumer patronage, customer loyalty and retention.

It is evident from the foregoing that all the studies vis-a-vis their various area of interest and focus sought to establish the relationship between customer relationship management and customer patronage behavior as well develop reliable techniques for efficient and effective management of the such relationship for maximum benefit. Although, the researcher upholds the views of those authors whose work were reviewed, he observed a lacuna. First, none of those studies specifically focused on how CRM dimensions like communication, trust, assurance, commitment and partnership affect customer repeat purchase in company. Second, some of the works were conducted outside the country and few within Nigeria. These are the major gaps which the present study sought to fill.

This paper determined the effect of customer relationship management on repeat purchase behavior. The study shows that effective customers relationship management would help the company to build, maintain and retain their customer and that would invariably result in their having increased market share and competitive advantage over others in the business. It will also increase the profitability of the company through increased productivity and patronage. This is so because when CRM is effectively implemented, customers have sense of belonging and become committed to the growth and development of the organization. In a bid to meet customers' expectations or satisfaction through CRM, the company and their employees would become more effective and efficient. It also leads to creation of loyal and committed customers thereby reducing expenses on advertizing or other activities geared towards getting new ones.

CONCLUSION AND RECOMMENDATIONS

This paper shows that effective customer relationship management by transport companies would help the company to build, maintain and retain their customers and that would invariably result in their having increased market share and competitive advantage over others in the business. It will also

increase the profitability of the companies through increased productivity and patronage. This is so because when CRM is effectively implemented, customers have sense of belonging and become committed to the growth and development of the organization. In a bid to meet customers' expectation or satisfaction through CRM, the company and their employees would become more effective and efficient. It also leads to creation of loyal and committed customers thereby reducing expenses on advertizing or other activities geared towards getting new ones.

Based on the foregoing, the following recommendations are made:

1. The study recommends that the managers of the various organisations should establish a healthy communication relationship that would give customers sense of belonging and care for continuous patronage.
2. The management of organisations should adopt programmes that would build customers' trust for their companies and convince customers of their reliability and dependability in service delivery.
3. The organizations should use offer of gift, discount and specialized services to regular customers to ensure customers' commitment to the company.
4. The management of should invest more activities that would enhance partnership or collaboration with the customers in order to increase patronage.

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