UNIZIK Journal of Marketing (UJofM), Vol. 1(1), Sept. 2024 ISSN xxxx-xxxx

https://journals.unizik.edu.ng/ujofm

Relationship Marketing and Customer Advocacy in Insurance: An Empirical Investigation from Nigeria

Oluwabiyi, Ezekiel Olakunle[1]; Olubiyi, Timilehin Olasoji[†2] ; Asikhia, Olalekan Usiobaifo[3] ;Egwuonwu, Thomas K[4]

Article Information

Keywords
Business performance, Customer advocacy, Customer satisfaction, Relationship marketing

Article History
Received:
Accepted:
Published:

Copyright
© 2024. The Authors.

Abstract

Customer advocacy has compelling evidence in the business sector that may influence prospective customers to purchase a company's products and services. It is a recommendation of a product, service, or brand based on its performance that spreads by word-of-mouth. The insurance penetration in Nigeria, which is less than 1%, reflects a lack of client advocacy for insurance. Disseminating favorable information based on user experience impacts purchasing decisions, leading to increased revenue and profitability. The present research seeks to determine the impact of relationship marketing (RM) characteristics on consumer advocacy. The study used a survey research design. The survey included 375,000 estimated insurance service consumers in Lagos State, Nigeria. A sample of 1,650 customers was picked from certain Local Government Areas in Lagos State using a non-probability sampling method. An adapted and validated questionnaire on relationship marketing and market penetration in the insurance industry was used. The Cronbach's Alpha coefficient for the constructions varied from 0.76 to 0.90. A total of 1,650 questionnaires were distributed, and 80% of them were completed and returned. The data were examined using descriptive statistics and multiple regression analysis for inferential statistics. The study indicates that relationship marketing has a substantial impact on customer advocacy in the insurance sector. The research recommends that insurance professionals should use relationship marketing as a strategy to impact customer advocacy in the insurance industry

affiliation: [1,2,4] Department of Business Administration and Marketing, Faculty of Management Sciences, Babcock University, Ilishan-Remo, Ogun State, Nigeria.

[3]Deputy Vice-Chancellor, Research, Innovation and Strategy, Caleb University, Imota, Lagos State, Nigeria

email: koluwabiyi@gmail.com[1]

corresponding author

Introduction

Insurance companies, like any other business, rely on customer support to thrive and achieve their goals. Nigeria's insurance sector has seen some development in corporate expansion but still lags behind other African nations in terms of market penetration. The industry premium increased from N508 billion in 2020 to N600 billion in 2021 and N630 billion in 2022 according to NIA Digest, 2022. By the end of June 2023, the insurance industry's total assets increased by 10.7% to N2.7tn from N2.4tn in the same time of 2020. The insurance industry's balance sheet indicated that non-life business assets were valued at N1.63tn, while life business assets were around N1.07tn. The sector produced N551.4 billion in gross premiums written in the first six months of 2023, compared to N600 billion in gross premiums written for the whole 2022 financial quarter. NAICOM's second-quarter 2023 bulletin.

Although the sector's business has improved, insurance penetration remains below one percent, as reported by industry data (Agusto & Co, 2022). Igbiti (2022) said that many Nigerians lack information about the advantages of insurance and its significance in economic progress. He proposed government assistance in developing awareness campaigns to educate the people and foster a culture of insurance. Susanta et al. (2013) studied the impact of relationship quality on customer advocacy and concluded that relationship trust does not have a significant influence on advocacy. They proposed that future studies should evaluate if trust has no significant effect on advocacy. Traditional marketing focuses on convincing consumers to purchase items by knowing their requirements, whereas advocacy aims to maximize customers' interests by working with them. This marketing philosophy trend requires a thorough investigation. The insurance industry has growth potential because of changes in regulations, which will need adjustments in operating procedures (Olawale-Cole, 2022).

This research focuses on the insufficient implementation of relationship marketing by insurance corporations as a possible cause for the low degree of client advocacy. Fullerton (2011) proposed that customer advocacy refers to customers' desire to deliver strong and favorable recommendations and praise to other consumers about a product or service provider.

Literature Review

Customer Relationship Marketing

Devi, and Yasa, (2021) described relationship marketing as the act of forming relationships with stakeholders in order to maintain client loyalty. This is a marketing approach that involves various efforts aimed at managing, maintaining, and controlling relationships with consumers according to Maggon and Chaudhry (2015). Poovalingam and Veerasamy (2007) define relationship marketing as the strategic process of identifying, establishing, maintaining, enhancing, and terminating relationships with customers and stakeholders to achieve mutual objectives through reciprocal exchanges and fulfillment of commitments. Engaging in cooperative and collective actions with direct consumers to create or enhance mutual economic advantages and value at a minimal cost is known as customer co-creation (Sheth & Parvatiyar, 2002). Businesses also saw relationship marketing as a key element in maintaining a competitive edge and

enhancing marketing effectiveness (Hunt & Arnett, 2006). Relationship marketing is a strategic approach to establishing and enhancing connections with various consumers to cultivate a mutually beneficial network through personalized, collaborative, and value-added interactions over a prolonged period. Relationship Marketing involves comprehending, establishing, and overseeing trade ties among service providers, manufacturers, economic players, intermediates, and end customers (Ogechukwu, Umukoro & Oboreh, 2013). Crucerua and Moiseb (2014) stated that customer relationship marketing focuses on attracting, developing, and retaining customer relationships, while Liu (2008) suggested that the goal of customer relationship marketing is to provide increased value to the customer, leading to long-term value for the service organization or provider. Relationship marketing may be seen as a process that includes recognizing, building, maintaining, and terminating relationships to improve performance. Consumer relationship marketing is a contemporary marketing strategy used by organizations to meet consumer demands and desires, thereby improving market loyalty and organizational success in the long run. Trust, dedication, mutual understanding, and long-term relationships are essential characteristics from the customer's point of view to meet their requirements and desires. (Velnampy & Sivesan, 2011). Jemao and Tournois (2014) observed that several characteristics, such as communication, commitment, trust, and customer satisfaction, have been extensively researched by many scholars. Morgan and Hunt (1994) emphasized that communication, trust, and commitment are key characteristics that result in cooperative tactics ensuring the success and accomplishment of relationship marketing. Additionally, the literature regularly mentioned factors like cooperation, adaptability, and performance (Walter & Ritter, 2003). Ndubisi (2007) identified trust, devotion, and interaction, fulfillment of guarantees, competence, and conflict management as key measuring indicators of relationship marketing. This research examines customer relationship marketing as a set of criteria including customer awareness, customer trust, customer service quality, product innovation and customisation, and customer satisfaction. The variables are fundamental components based on RM literature.

Customer Advocacy

Alam, Al Karim, and Habiba (2021) and Fullerton (2011) proposed that customer advocacy refers to customers' desire to deliver strong and favorable recommendations and praise to other consumers about a product or service provider. Consumers who readily provide positive recommendations for goods, services, or brands are functioning as advocates for the firm (Wali, Wright, & Uduma, 2015). Customer advocacy involves word-of-mouth communication, which may be categorized into good and negative advocacy. Good word- of-mouth advocacy occurs when users share their views about a company's product or service with others, either by recounting their good experiences using the product to prospective customers or by formally recommending the product. Atulkar (2020) posits that advocacy plays a crucial role in enhancing the connection between a company and its consumers. Customer advocacy is positioned at the pinnacle of a pyramid, with quality management and customer happiness forming the foundation. Advocacy focuses on maximizing consumers' interests and collaborating with them, as opposed to conventional marketing which aims to understand customers' requirements and persuade them to purchase items. A customer advocate goes beyond being a repeat customer. Advocates are those ready to provide arguments in favor of the firm and its goods. They are prepared to provide both their

assistance and their patronage (Urban, 2004). Customer advocacy is the voluntary act of sharing beneficial knowledge with others without expecting any direct or indirect rewards, based on the moral belief that individuals should give advantages to others. Advocacy is influencing others' behavior by expressing support or preference for a certain brand and convincing others to do the same. Prospective clients see information from peers or even strangers as more impartial and trustworthy compared to that from an institution.

Customer retention is accomplished via enhancing loyalty while expanding market share is gained through advocacy. Meyer-Warrden (2015) said that firms may enhance customer loyalty, operational performance, and profitability by gaining a deeper grasp of how to convert more consumers into brand advocates who spread positive word-of-mouth. Advocates are committed consumers who use a company's goods and services often. They enhance and promote businesses by sharing positive word-of-mouth and suggesting new customers. Customer advocacy, as described by Bhati, and Verma, (2020). is the active personal endorsement or backing of a brand, product, service, or business, with the suggestion being a possible result of advocacy. Hence, recommendation equals word of mouth equals advocacy. Customer advocacy relies on essential components such as brand favorability, proof, frequency of positive and negative voluntary personal contact, and continuous consideration and relationship probability. Reichheld (2006) observed that consumers' inclination to recommend a company's goods and services to others may be attributed to the quality of service they get. When a firm offers high-quality services, consumers are more likely to promote its services. Mazzarol et al. (2007) contended that customer advocacy is a more robust indicator of consumer loyalty compared to repeat purchase behavior. Consumers are more likely to support a company's brand when they have a strong conviction in the organization. Customer advocacy is suggested to be a sophisticated marketing approach that considers factors such as customer choice, customer engagement, and customer understanding. Customer advocacy focuses on fostering stronger customer connections via communication, cooperation, and establishing mutual transparency with consumers. (Lawer & Knox, 2006).

Customer advocacy is shown via customers' word-of-mouth communications (WOM). Berry and Parasuraman (1991) state that high-quality service encourages current customers to engage in word-of-mouth (WOM) communication, improves customers' perception of value, increases employee and customer loyalty, and adds credibility to advertising and the sales force. Word-of-mouth (WOM) is a potent influence in the market, including informal discussions about a product or service among individuals not affiliated with the firm, using channels not controlled by the company (Silverman, 2001). Zeithaml et al. (1996) created a theoretical framework illustrating how the general quality of service influences specific behaviors like word-of-mouth communication and purchase intentions. A correlation was discovered between a company's service quality performance and the likelihood of favorable word-of-mouth and purchase intention. Customers' opinions of service quality strongly influence their behavioral activities, particularly word-of-mouth recommendations and loyalty. An increase in service quality assessments in word of mouth (WOM) results in positive customer behavioral intentions for referrals, strengthening the connection between consumers and the organization (Parasuraman et al., 1988; Zeithaml et al., 1996).

Alternatively, if consumers see service performance as below standard, they may display negative behavior such as private responses (bad word-of-mouth) or switching (Zeithaml et al., 1996). Customers are likely to promote or endorse a firm to others if they believe the service quality to be excellent. Conversely, they are also likely to provide bad word-of-mouth feedback if they perceive the service quality to be inferior.

Customer satisfaction significantly influences repurchase intentions and word of mouth according to Ranaweera and Prabhu (2003). The likelihood of consumers spreading word-of-mouth will be affected by their happiness level for at least two reasons. The degree to which a product or service surpasses a customer's expectations might influence them to share their pleasant experience with others. If a customer's expectations are not met, they may engage in word-of-mouth behavior to express negative emotions like anger and frustration, reduce anxiety, warn others, or seek retaliation. Trust significantly influences behavioral dimensions, particularly the customer's inclination to either remain loyal or switch service providers (Sirdeshmukh, Singh, & Sabel, 2002). Research has shown that higher levels of trust are linked to a larger likelihood of providing positive word-of-mouth recommendations (Atulkar, 2020; Gremler, Gwinner, & Brown 2001; Ranaweera & Prabhu, 2003). Customers often refer or promote service to their friends, relatives, or members of their reference group based on past positive experiences and established trust (Gremler, Gwinner, & Brown 2001). When consumers provide advice to others, there is a danger of being incorrect, and a word-of-mouth provider would want to be accurate (Mazzarol et al., 2007).

Theoretical Review

The research is based on the Expectancy Disconfirmation Theory (EDT) developed by Oliver, R. L. in 1977. The idea quantifies consumer satisfaction by comparing their expectations with their experience of perceived items or services. The approach had four components: expectations, perceived performance, disconfirmation, and satisfaction. Expectations determine consumers' anticipated performance of goods and services (Gures, Arslan, & Tun, 2004). The expectation of consumers who repurchase from a single firm is more closely aligned with reality. New clients who lack firsthand familiarity with a product or service's performance and are purchasing from a specific firm for the first time. The primary expectation of this client group consists of the feedback they get from other customers, advertising, or mass media. Perceived performance refers to the customer's experience after using items or services, which may exceed or fall short of their expectations (Edward, 2011). Both categories of clients, whether experienced or inexperienced, can assess the true quality of the items or services after using them for some time. Disconfirmation is the variance between a customer's initial expectations and the actual performance witnessed. Prior research has identified three sorts of disconfirmations: positive, negative, and simple. Customer satisfaction or discontent occurs when a product or service fails to satisfy a customer's expectations, resulting in negative disconfirmation. Positive disconfirmation occurs in customer satisfaction when the perceived performance of a product or service surpasses the consumer's expectations. When a customer's expectation matches the actual performance of a product or service, it indicates that the perceived performance equals the expectation, resulting in a simple confirmation. The researcher endorses this idea, which correlates with and elucidates the customer satisfaction aspect of relationship marketing. When insurers successfully generate positive disconfirmation via their relationship

marketing activities, it will result in customer satisfaction and have a beneficial influence on market performance. A negative disconfirmation occurs when the insurance fails to match the insured's expectations. This results in client discontent. When an insurance firm fulfills the customer's expectations, it attains a basic degree of satisfaction. An insurance company's goal is to surpass consumer expectations to grow market share via client advocacy. A content consumer will promote a company's goods via spoken recommendations.

Empirical Review of Relationship Marketing and Customer Advocacy

Roy (2013) studied the effects of customer advocacy and showed that when a service organization advocates for its customers' best interests, consumers respond with increased loyalty and favorable word-of-mouth about the service providers. The research indicates that service organizations may gain consumers' confidence by using the customer advocacy approach, which involves engaging in mutual discussion with customers and delivering high-quality services. If clients are happy and have a favorable attitude towards the service provider, they will recommend the service provider to their peers. This viewpoint demonstrates that insurance firms' commitment to establishing customer trust and service excellence results in consumer advocacy. The findings confirm Urban's (2004) consumer advocacy model and its connections with customer satisfaction (CS), two aspects of customer loyalty (behavioral and attitudinal), customers' perceived value, and trust. Keiningham, Cooil, Aksoy, Andreassen, and Weiner (2007) suggest that relying solely on recommended intention is not enough to predict customers' future loyalty behavior. They found that using multiple indicators instead of a single predictor model is more effective in forecasting customer recommendations.

Baldinger and Rubinson (1996) discovered that brand commitment is a strong indicator of consumer loyalty and positively influences customer advocacy activity. Quality service not only creates client happiness but also ensures their ongoing commitment and loyalty. Loyal consumers serve as advocates by spreading the value of a company's product to friends, colleagues, and families. Hafiz and Hendricks (2001) found in their research on customer value management that the return on customer relationship is influenced by advocacy, retention, and growth. Lacey and Morgan (2009) investigated the relationship between consumer advocacy and loyalty. This study aimed to examine the connection between loyal consumers and their readiness to act as advocates, as well as to analyze how B2B loyalty programs may impact customer advocacy behaviors. More committed customers are more likely to act as customer advocates, according to the results. The tested model offers a broader perspective on consumer advocacy, although the B2B loyalty program membership does not have a substantial moderating impact on the model. The research examines how corporate customers might be encouraged to act as advocates in order to enhance a firm's marketing success. Fullerton's (2011) research on customer commitment and trust aligns with the current results, indicating that customer commitment significantly impacts the likelihood of customers making positive recommendations about the service provider. The research enhances the relationship marketing literature by presenting empirical data supporting the multi-dimensional perspective of customer advocacy activities and asserting that customer lifetime value (CLV) reflects customer advocacy. Wali, Wright, and Uduma (2015) investigated how the customer relationship management (CRM) strategy affects consumers' brand commitment and brand loyalty in the Nigerian banking industry. The research, using a

positivist quantitative survey technique, discovered that CRM strategy had a favorable influence on banks' customers' brand commitment and loyalty behaviors. Continuance loyalty had a greater impact on consumer advocacy behavior compared to affective loyalty. Continuance characteristics are effective in predicting consumers' advocacy intentions in Nigerian banks. The research introduced a paradigm connecting CRM with brand commitment, brand loyalty, and customer advocacy, defining customer advocacy as word-of-mouth communication advocacy. Lawer & Knox (2006) found that loyal customers of a brand will dedicate their time and resources to promote the company in order to attract new customers. Therefore, the results also showed that brand loyalty had a beneficial influence on advocacy. Customers who are loyal to a brand are inclined to become brand champions (Bansal, Irving, & Taylor, 2004). Brand advocates are consumers who strongly believe in a company and enthusiastically promote its products or services to others, highlighting the firm's strengths and encouraging others to support it.

Susanta, Alhasji, Idrus, and Nimran (2013) studied the impact of relationship quality on customer advocacy and concluded that relationship trust does not have a substantial influence on advocacy. They recommended more studies to confirm if trust really has no major impact on advocacy. Traditional marketing focuses on convincing consumers to purchase things by knowing their requirements, while advocacy prioritizes maximizing clients' interests and collaborating with them. This marketing philosophy trend requires a thorough analysis. Artanti, Hartini Widyastuti, and Untarini, (2020) suggested that relying solely on recommended intention is not enough to predict customers' future loyalty behavior. Instead, using a multiple-indicator model is more effective in predicting customer recommendations. Studying the relationship marketing characteristics of service quality, customer happiness, customer trust, customer awareness, tailored goods, and customer advocacy via word-of-mouth in the insurance business would be intriguing. As a result, this study put forward the hypothesis that:

> *H01: Relationship marketing has no significant effect on customer advocacy of insurance in Lagos State, Nigeria*

Methodology

The study used a survey research approach to examine the population and sample. This paper relied on the prior study methodology of Oluwabiyi, Asikhia, and Egwuonwu, (2022); Arokodare, and Olubiyi, (2023); Olubiyi, Adeoye, Jubril, Adeyemi, and Eyanuku (2023); Adeyemi, and Olubiyi, (2023); Olubiyi, Lawal, and Adeoye, (2022); Olubiyi, (2022a) ; Olubiyi, (2022b); Olubiyi, (2022c); Olubiyi, Jubril, Sojinu, and Ngari, (2022), Olubiyi, (2022), Omoyele, Olubiyi, Lanre-Babalola, Obadare, & Onikoyi, (2023); Ukabi, Uba, Ewum, and Olubiyi, (2023), and Uwem, Oyedele, and Olubiyi, (2021) with cross-sectional studies, have adopted this method in their respective research and found it useful. This research focuses on the users of insurance goods in Lagos State, Nigeria. The study's population is around 357,000, representing insurance users in Lagos State. Augusto & Co in 2015 reported that the ratio of insurance policyholders to the projected total population of Lagos State, which is 21 million, is 1.7%. The sample size of the respondents were determined using a normal approximation with a 97.5% confidence level and a 2.5% error tolerance. According to Yamane's (1967) statistical method, a

sample size of 1,593 was determined but estimated to be 1,650 to account for potential non-returned instruments and to allow for more diverse representations. A non-probability intentional sampling method was used to choose the population sample, and a snowball sampling strategy was utilized to pick participants from each chosen Local Government Area. The research collected data using a validated questionnaire provided to customers of insurance products. The instrument used a 6-point summated Likert-type rating scale for all parts, except the biographic data portion.

Results and Discussion

The objective of the research contradicts a statement on the link between customer relationship marketing factors such as customer awareness, customer trust, customer service quality, product innovation and customization, customer satisfaction, and customer advocacy in the insurance industry. Mean scores and standard deviation were calculated for each statement and variable. Below are the data results.

Table 4.1: Descriptive Analysis of Relationship Marketing

S/N	Description	Mean	SD
RM1	Customer awareness	4.42	1.104
RM2	Customer trust	4.85	0.842
RM3	Customer Service Quality	4.59	0.909
RM4	Product Innovation and Customization	*4.34*	1.065
RM5	Customers Satisfaction	4.65	0.943

Source: Field Survey, 2024

Table 4.1 displays a descriptive study of respondents' views on relationship marketing. The data analysis showed that the respondents agreed with all the statements regarding relationship marketing based on the mean scores and standard deviation for customer awareness (Mean= 4.42, SD=1.104); customer trust (Mean=4.85, SD=0.842), customer service quality (Mean=4.59, SD=0.879); product innovation and customization (Mean=4.34, SD=1.065), and customer satisfaction (Mean=4.65, SD=0.943).

Table 4.2: Descriptive Analysis of Customer Advocacy

S/N	Description	Mean	SD
CA1	I will persuade my friends and family to purchase insurance goods.	4.65	.916
CA2	I will advocate insurance coverage to others.	4.75	.824
CA3	I will advocate for insurance services on my own behalf.	4.57	.968
CA4	I will promote my insurance company to others.	4.82	.877
CA5	I will use social media channels to promote the advantages of insurance.	4.22	1.159
	Average Mean	*4.60*	*.949*

Source: Field Survey, 2024

Table 4.1 displays a descriptive study of respondents' views on consumer advocacy in the insurance sector. The data analysis showed that the respondents agreed with almost all assertions about customer advocacy, with mean scores falling between 4.5 and 5.49, except for item 5. The mean score was 4.60, showing agreement with statements on the customer advocacy scale. The standard deviation was 0.949, suggesting little variability in the replies. The results suggest that consumers in Lagos State, Nigeria exhibit a substantial and favorable degree of customer advocacy for insurance. Tables 4.1 and 4.2 show a favorable impression of relationship marketing strategies and customer advocacy for insurance in Lagos State, Nigeria. The study showed that insurance awareness among the public in Lagos State is moderate, consumer trust in insurance companies for claims and benefits is strong, customer service quality is high, there is ongoing product innovation and customization, customer satisfaction is high, and customer advocacy for insurance in Lagos State is strong and positive. There is a consistent trend of increasing replies for both relationship marketing and consumer advocacy based on the study. The results address the research question and help the researcher attain the study's purpose.

Table 4. 3: Multiple Regression Analysis

Model	**Unstandardized Coefficients**		**Standardized Coefficients**	**T**	**Sig.**	**Collinearity Statistics**	
	B	**Std. Error**	**Beta**			**Tolerance**	**VIF**
1 (Constant)	3.09	0.68		4.57	0.00		
Customer Awareness	0.03	0.02	0.05	2.17	0.03	0.77	1.30
Customer Trust	0.11	0.02	0.14	4.89	0.00	0.51	1.96
Customer Service Quality	0.057	0.02	0.08	2.37	0.02	0.35	2.83
Product Innovation & Customization	0.06	0.03	0.06	2.10	0.04	0.46	2.17
Customer Satisfaction	0.34	0.03	0.44	12.60	0.00	0.33	3.00

$R = 0.678$; $R_2 = 0.460$; Adj. $R^2 = 0.457$; $F_{5/1306} = 222.111$, $p = 0.000$

Dependent Variable: Customer Advocacy

Table 4.3 presents the key findings of a multiple regression study examining the impact of relationship marketing on customer advocacy of insurance in Lagos State, Nigeria. The study indicates that relationship marketing has a substantial impact on consumer advocacy of insurance in Lagos State, Nigeria, with an adjusted R-squared value of 0.457 and a significant F-statistic of 222.111 at a p-value of less than 0.05. An Adjusted R2 value of 0.457 indicates that 45.7% of the variability in customer advocacy of insurance is explained by relationship marketing, with the remaining 54.3% being attributed to other variables. The p-value is 0.000, which is below the significance level of 0.05 set for this investigation. Consumer awareness, trust, service quality, product innovation, personalization, and satisfaction predict consumer advocacy in the insurance industry. The null hypothesis (H01) stating that relationship marketing does not have a significant effect on consumer advocacy of insurance in Lagos State, Nigeria is rejected.

The fitted model explaining the variation in customer advocacy of insurance due to relationship marketing was stated as follows:

$$Y = 3.096 + 0.033x_1 + 0.107x_2 + 0.047x_3 + 0.061x_4 + 0.342x_5$$

Where: Y = Customer Advocacy
x_1= Customer Awareness
x_2= Customer Trust
x_3= Customer Service Quality
x_4= Product innovation and Customization
x_5= Customer Satisfaction

After considering all characteristics such as customer awareness, customer trust, customer service quality, product innovation, customisation, and customer happiness, the regression equation predicts that consumer advocacy of insurance in Lagos State, Nigeria would be 3.096 when all other variables are held constant at zero. The results indicate that an increase of one unit in customer awareness, trust, service quality, product innovation, customization, and satisfaction will result in specific unit increases in customer advocacy of insurance in Lagos State, Nigeria. Customer satisfaction has the greatest impact on customer advocacy of insurance in Lagos State, Nigeria, followed by customer trust. Customer awareness has the least influence on customer advocacy of insurance in Lagos State, Nigeria.

Discussion

The hypothesis findings showed that customer relationship marketing has significant effects on customer advocacy for insurance in Lagos State, Nigeria. Customer advocacy of insurance service is influenced by customer relationship awareness, trust, service quality, personalization, new goods, and satisfaction. This discovery aligns with Roy's (2013) and Artanti, Hartini Widyastuti, and Untarini, (2020) research on the impact of customer advocacy, demonstrating that when a service company prioritizes its customers' best interests, it leads to increased customer loyalty and positive word-of-mouth promotion. The study's findings indicate that service organizations may cultivate consumers' trust by using the customer advocacy approach, which involves engaging in mutual discourse with customers and delivering high-quality services. If clients are content and have a favorable attitude towards the service provider, they will recommend the service provider to their peers. This viewpoint demonstrates that when insurance businesses engage in creating customer trust and service excellence, it leads to consumer advocacy.

The Expectancy Disconfirmation Theory (EDT) developed by Oliver, in 1977, assesses customer satisfaction by comparing their expectations with their actual experiences of items or services. A content customer has the ability to become an advocate for a business that has provided a product or service that met and exceeded the customer's expectations. The commitment-trust hypothesis of relationship marketing, proposed by Morgan and Hunt in 1994, highlights that committed parties in a relationship put in additional effort to strengthen their relationships and achieve favorable results. Additional effort and labor may include customers serving as brand ambassadors for a firm. Customer advocacy is the obligation of customers as stakeholders and beneficiaries of a company's offerings, in

accordance with Freeman's Stakeholder Theory (1984). The study's results align with Wali, Wright, and Uduma's (2015) research that investigated the influence of customer relationship management (CRM) strategy on customers' brand commitment and brand loyalty in the Nigerian banking industry. The researchers introduced a model connecting CRM with brand commitment, brand loyalty, and customer advocacy. They defined customer advocacy as word-of-mouth communication advocacy. The research, using a positivist quantitative survey technique, discovered that CRM strategy had a favorable influence on banks' customers' brand commitment and loyalty behaviors. Continuance loyalty had a greater favorable impact on consumer advocacy behavior compared to affective loyalty. Continuance characteristics are effective in predicting continuance intentions in Nigerian banks.

Susanta, Alhasji, Idrus, and Nimran (2013) discovered that satisfaction and commitment directly influence customer advocacy, with loyalty acting as a mediator between trust and advocacy. Among these factors, commitment was found to have the most significant impact on advocacy. This research demonstrates how relationship quality and loyalty contribute to the formation of consumer advocacy. Prospective clients see information from peers or strangers as more impartial and trustworthy compared to that from a business organization. A pleased customer's feedback is more credible than information provided by the firm itself. Customer advocacy is crucial for the company's acquisition of new customers. Baldinger & Rubinson (1996) discovered that brand commitment is a strong indicator of consumer loyalty and influences customer advocacy activity positively. Quality service leads to client happiness and ensures their ongoing commitment, fostering customer loyalty. Loyal consumers serve as advocates by spreading the value of a company's product to friends, colleagues, and families. Lacey & Morgan (2009) investigated the correlation between consumer advocacy and loyalty. The study revealed that consumers with higher commitment levels are more likely to advocate for a product or service. Strong customer commitment results in strong customer advocacy, whereas poor customer commitment results in low advocacy. The discovery aligns with Fullerton's (2011) research on the impact of customer commitment and trust on developing advocates. It revealed that customer commitment significantly affects customers' inclination to make positive recommendations about the service provider.

Choudhury (2014) investigated how the characteristics of service quality in the retail banking business affect consumers' Word of Mouth (WOM). The research identified four aspects of service quality in retail banking - attitude, competence, tangibles, and convenience - that have a significant and favorable impact on word-of-mouth recommendations. Hafiz and Hendricks (2001) found that the return on customer relationship is influenced by advocacy, retention, and growth in customer value management. Zeithaml *et al.* (1996) created a conceptual model showing that higher service quality leads to the increased likelihood of positive word-of-mouth communication and purchase intentions. Ranaweera and Prabhu (2003) conducted research on customer satisfaction which revealed that customer satisfaction influences two buying behaviors: repurchase intentions and word of mouth (WOM). Research by Gremler *et al.* (2001) indicates that increased levels of trust are linked to a higher

likelihood of providing positive word-of-mouth recommendations. Cronin and Taylor (1992) argue that a firm's favorable performance may be attributed to the high quality of after-sales services, leading to positive word of mouth, repeat sales, cross-selling, and customer loyalty.

The study's results confirm that relationship marketing significantly impacts consumer advocacy of insurance in Lagos State, Nigeria, in line with earlier research. The research showed that customer satisfaction had the greatest impact on customer advocacy of insurance in Lagos State, Nigeria, followed by customer trust. Customer awareness had the least influence on customer advocacy of insurance in Lagos State, Nigeria. The research rejects the null hypothesis (H_{01}) that relationship marketing has no substantial impact on customer advocacy of insurance in Lagos State, Nigeria, based on the data and supporting literature. This decision is supported by a p-value of 0.000, which is less than 0.05.

Conclusion and Recommendations

The research found that customer relationship marketing predicts consumer advocacy of insurance in Lagos State, Nigeria. The research suggested that insurance businesses could use relationship marketing as a technique to impact consumer advocacy in the insurance sector. Implementing this proposal will guide industry operators on how and where to use organizational resources to get the desired market and organizational performance. The study's findings are mostly relevant to the insurance business, but more research may explore how this tool might be used in other service-oriented industries including banking, communications, and transportation.

References

Agusto & Co. (2022). *Insurance industry report*.

Alam, M. M. D., Al Karim, R., & Habiba, W. (2021). The relationship between CRM and customer loyalty: The moderating role of customer trust. *International Journal of Bank Marketing, 39*(7), 1248–1272.

Arokodare, M. A., & Olubiyi, T. O. (2023). Crises as harbingers of opportunities: An empirical insight into the moderating effect of knowledge management on the absorptive capacity-strategic agility relationship. *Malaysian Management Journal (MMJ), 27*, 83-108.

Artanti, Y., Widyastuti, S. H., & Untarini, N. (2020). Improving relationship quality: A relational model of internal marketing and commitment to customer service in higher education. *Humanities & Social Sciences Reviews, 8*(4), 55–68.

Atulkar, S. (2020). Brand trust and brand loyalty in mall shoppers. *Marketing Intelligence & Planning, 38*(5), 559–572.

Baldinger, A. L., & Robinson, J. (1996). Brand loyalty: The link between attitude and behavior. *Journal of Advertising Research, 36*(4), 22-34.

Bansal, H. S., Irving, P. G., & Taylor, S. F. (2004). A three-component model of customer commitment to service providers. *Journal of the Academy of Marketing Science, 32*(3), 234-245.

Berry, L. L., & Parasuraman, A. Q. (1991). *Marketing services*. The Free Press.

Bhattacherjee, A., & Premkumar, G. (2004). Understanding changes in belief and attitude toward information technology usage: A theoretical model and longitudinal test. *MIS Quarterly, 28*(2), 229-254.

Bhati, R., & Verma, H. (2020). Antecedents of customer brand advocacy: A meta-analysis of the empirical evidence. *Journal of Research in Interactive Marketing, 14*(2), 153–172.

Choudhury, K. (2014). Service quality and word of mouth: A study of the banking sector. *International Journal of Bank Marketing, 32*(7), 612-627.

Cronin, J. J., & Taylor, S. A. (1992). Measuring service quality: A re-examination and extension. *Journal of Marketing, 56*(2), 55-68.

Cruceru, A. F., & Moise, D. (2014). Customer relationships through sales forces and marketing events. *Procedia - Social and Behavioral Sciences, 109*, 155–159.

Devi, A. A. D. T., & Yasa, N. N. K. (2021). The role of customer satisfaction in mediating the influence of service quality and perceived value on brand loyalty. *International Research Journal of Management, IT and Social Sciences, 8*(3), 315-328. https://doi.org/10.21744/irjmis.v8n3.1786

Edward, M. (2011). Role of switching costs in the service quality, perceived value, customer satisfaction and customer retention linkage. *Asia Pacific Journal of Marketing and Logistics, 23*(3), 327–345.

Fullerton, G. (2011). Creating advocates: The roles of satisfaction, trust and commitment. *Journal of Retailing and Consumer Services, 18*(1), 92-100.

Gremler, D. D., Gwinner, K. P., & Brown, S. W. (2001). Generating positive word-of-mouth communication through customer-employee relationships. *International Journal of Service Industry Management, 12*(1), 44-59.

Gures, N., Arslan, S., & Tun, S. Y. (2004). Customer expectation, satisfaction, and loyalty relationship in Turkish airline industry. *International Journal of Marketing Studies, 6*(1), 6-74.

Hafiz, K., & Hendricks, S. (2001). *Customer value management: A guide for your journey to best-practice processes*. Accent Press Ltd.

Hunt, S. D., & Arnett, D. B. (2006). The explanatory foundations of relationship marketing theory. *Journal of Business & Industrial Marketing, 21*(2), 72–87.

Igbiti, E. (2022). FSD Africa for insurance industry, poor awareness slows growth. Retrieved from https://fsdafrica.org/news/for-insurance-industry-poor-awareness-slows-growth/

Jemao, A. M., & Tournois, N. (2014). Concepts as relationship value determinant. *Journal of Marketing Research and Case Studies, 2014*(2014), 1–17.

Keiningham, T. L., Cooil, B., Aksoy, L., Andreassen, T. W., & Weiner, J. (2007). The value of different customer satisfaction and loyalty metrics in predicting customer retention, recommendation, and share-of-wallet. *Managing Service Quality, 17*(4), 361–384.

Lacey, R., & Morgan, R. (2009). Customer advocacy and the impact of B2B loyalty programs. *Journal of Business & Industrial Marketing, 24*(1), 3–13.

Lawer, C., & Knox, S. (2006). Customer advocacy and brand development. *Journal of Product and Brand Management, 15*(2), 121–129.

Liu, L. (2008). Study of the relationship between customer satisfaction and loyalty in telecom enterprise. In *2008 IEEE International Conference on Service Operations and Logistics, and Informatics* (Vol. 1, pp. 896–901). https://iranarze.ir/wp-content/uploads/2016/08/4845-English.pdf

Lowenstein, M. (2011). Customer advocacy behavior: Personal brand connection that is more than loyalty, word-of-mouth, or recommendation. Retrieved from http://customerthink.com/customer_advocacy_behavior_personal_brand_connection

Maggon, M., & Chaudhry, H. (2015). Revisiting relationship marketing and customer relationship management in leading tourism and hospitality journals: Research trends from 2001 to 2013. *Journal of Relationship Marketing, 14*(1), 53–67. https://doi.org/10.1080/15332667.2015.1022110

Mazzarol, T., Sweeney, J., & Soutar, G. (2007). Conceptualizing word-of-mouth activity, triggers and conditions: An exploratory study. *European Journal of Marketing, 41*(11/12), 1475–1494.

Meyer-Waarden, L. (2015). Effects of loyalty program rewards on store loyalty. *Journal of Retailing & Consumer Services, 24*, 22–32.

Morgan, R. M., & Hunt, S. D. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing, 58*(3), 20–38.

National Insurance Commission. (2023). *Bulletin*.

Ndubisi, N. O. (2007). Relationship marketing and customer loyalty. *Marketing Intelligence & Planning, 25*(1), 98–106.

Nigeria Insurer Association. (2022). *Digest*.

Nigeria Bureau of Statistics. (2023). *Quarterly report*.

Ogechukwu, A. D., Umukoro, F. G., & Oboreh, J. S. (2013). The effective use of relationship marketing strategy for customer satisfaction and retention by Igbo SMEs in Nigeria. *Global Journal of Management and Business Research: Marketing, 13*(6), 1–6.

Olawale-Cole, M. (2022). FSD Africa for insurance industry, poor awareness slows growth. Retrieved from https://fsdafrica.org/news/for-insurance-industry-poor-awareness-slows-growth/

Oliver, R. L. (1977). Effect of expectation and disconfirmation on post-exposure product evaluations: An alternative interpretation. *Journal of Applied Psychology, 62*(4), 480–486.

Olubiyi, T. O., Adeoye, O. O., Jubril, B., Adeyemi, O. S., & Eyanuku, J. P. (2023). Measuring inequality in Sub-Saharan Africa post-pandemic: Correlation results for workplace inequalities and implication for Sustainable Development Goal ten. *International Journal of Professional Business Review, 8*(4), e01405. https://doi.org/10.26668/businessreview/2023.v8i4.1405

Olubiyi, T. O., Lawal, A. T., & Adeoye, O. O. (2022). Succession planning and family business continuity: Perspectives from Lagos State, Nigeria. *Organization and Human Capital Development, 1*(1), 40–52. https://doi.org/10.31098/orcadev.v1i1.865

Olubiyi, T. O. (2020). Knowledge management practices and family business profitability: Evidence from Lagos State, Nigeria. *Arabian Journal of Business and Management Review (Nigerian Chapter), 6*(1), 23–32.

Olubiyi, T. O. (2022a). An investigation of technology capability in small and medium-sized enterprises (SMEs). *Journal of Management Sciences, 9*(2), 21–31.

Olubiyi, T. O. (2019). Knowledge management practices and family business profitability: Evidence from Lagos State, Nigeria. *Global Journal of Management and Business Research, 19*(A11), 21–31. Retrieved from https://journalofbusiness.org/index.php/GJMBR/article/view/2872

Olubiyi, O. T., Lawal, A. T., & Adeoye, O. O. (2022). Succession planning and family business continuity: Perspectives from Lagos State, Nigeria. *Organization and Human Capital Development, 1*(1), 40–52. https://doi.org/10.31098/orcadev.v1i1.865

Olubiyi, T. O. (2022b). Measuring technological capability and business performance post-COVID era: Evidence from Small and Medium-Sized Enterprises (SMEs) in Nigeria. *Management & Marketing Journal, xx*(2), 234–248.

Olubiyi, T. O. (2022c). An investigation of sustainable innovative strategy and customer satisfaction in small and medium-sized enterprises (SMEs) in Nigeria. *Covenant Journal of Business and Social Sciences, 13*(2), 1–24.

Olubiyi, T. O. (2023). Unveiling the role of workplace environment in achieving the Sustainable Development Goal Eight (SDG8) and employee job satisfaction post-pandemic: Perspective from Africa. *Revista Management & Marketing Craiova, XXI*(2), 212–228.

Olubiyi, T. O. (2023). Leveraging competitive strategies on business outcomes post-COVID-19 pandemic: Empirical investigation from Africa. *Journal of Management and Business: Research and Practice*. https://doi.org/10.54933/jmbrp-2023-15-2-1

Olubiyi, T. O., Jubril, B., Sojinu, O. S., & Ngari, R. (2022). Strengthening gender equality in small business and achieving sustainable development goals (SDGs): Comparative analysis of Kenya and Nigeria. *Sawala Jurnal Administrasi Negara, 10*(2), 168–186.

Oluwabiyi, O. E., Asikhia, O. U., & Egwuonwu, T. K. (2022). Relationship marketing and customer purchase decision of insurance in Lagos State, Nigeria. *Journal of Marketing and Communication, 5*(1), 93–117. https://doi.org/10.53819/81018102t4062

Parasuraman, A., Zeithaml, V. A., & Berry, L. (1988). SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing, 64*(1), 12–40.

Poovalingam, K., & Veerasamy, D. (2007). The impact of communication on customer relationship marketing. *Alternation, 14*(1), 86–119.

Reichheld, F. F. (2006). *The ultimate question: Driving good profits and true growth*. Harvard Business School Press.

Roy, S. K. (2013). Consequences of customer advocacy. *Journal of Strategic Marketing, 21*(3), 34–50.

Sheth, J. N., & Parvatiyar, A. (2002). Evolving relationship marketing into a discipline. *Journal of Relationship Marketing, 1*(1).

Silverman, G. (2001). *The secrets of word-of-mouth marketing: How to trigger exponential sales through runaway word-of-mouth*. Amacom Books.

Sirdeshmukh, D., Singh, J., & Sabel, B. (2002). Consumer trust, value, and loyalty in relational exchanges. *Journal of Marketing, 66*(1), 15-37.

Susanta, A. T., Idrus, M. S., & Nimran, U. (2013). The effect of relationship quality on customer advocacy: The mediating role of loyalty. *Journal of Business and Management, 10*(4), 41-52.

Sweeney, J. C., Soutar, G. N., & Mazzarol, T. (2005). Positive and negative word-of-mouth are not necessarily opposites. In *Proceedings of the 1st International Conference on Word-of-Mouth Marketing*. Brand Science Institute, Hamburg.

Urban, G. L. (2005). Customer advocacy: A new era in marketing? *Journal of Public Policy & Marketing, 24*(1), 155-159.

Smith, S., & Wheeler, J. (2002). *Managing the customer experience: Turning customers into advocates*. Prentice Hall.

Ukabi, O. B., Uba, U. J., Ewum, C. O., & Olubiyi, T. O. (2023). Measuring entrepreneurial skills and sustainability in small business enterprises post-pandemic: Empirical study from Cross River State, Nigeria. *International Journal of Business, Management and Economics, 4*(2), 132-149.

Uwem, E. I., Oyedele, O. O., & Olubiyi, O. T. (2021). Workplace green behavior for sustainable competitive advantage. In *Human resource management practices for promoting sustainability* (pp. 248–263). IGI Global.

Velnampy, T., & Sivesan, S. (2011). Customer relationship marketing and customer satisfaction: A study on mobile service providing companies in Sri Lanka. *Global Journal of Management and Business Research, 12*(18), 34-48.

Wali, A., Wright, L., & Uduma, I. (2015). Customer relationship management for brand commitment and brand loyalty. *British Journal of Marketing Studies, 3*(4), 45-58.

Walter, A., & Ritter, T. (2003). The influence of adaptations, trust, and commitment on value-creating functions of customer relationships. *Journal of Business and Industrial Marketing, 18*(4/5), 353-365.

Yamane, T. (1967). *Statistics: An introductory analysis* (2nd ed.). Harper and Row.

Yau, O., Lee, J., Chow, R., Sin, L., & Tse, A. (2000). Relationship marketing the Chinese way. *Business Horizons, 43*(1), 16-24.

Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996). The behavioral consequences of service quality. *Journal of Marketing, 60*(2), 31-46.