RESPONSIBLE MARKETING PRACTICES AND CUSTOMER LOYALTY OF RESORT HOTELS IN PORT HARCOURT

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Abstract

This study investigated the relationship between responsible marketing practices and customer loyalty. The study used corporate social responsibility (CSR), ethical marketing and consumer privacy to represent responsible marketing practices, and tested their relationship with customer loyalty. The study is quasi-experimental in nature, and adopted a survey research strategy. Primary data was collected at a single point in time, and in a non-contrived setting, using structured questionnaire designed in the 5point Liker scale. The population of the study comprised of resort hotels in Port Harcourt, Nigeria. A census was taken, while 10 management level staff of each resort hotel served as respondents. Thus, 100 copies of questionnaire were administered, and all of which were retrieved and used in the final analyses. Mean and standard deviation were used to analyze the demographics of respondents and for univariate analyses, while t-test associated with simple regression was used to test the link between dimensions of responsible marketing practices and customer loyalty. The results of the statistical tests indicated the existence of a positive and significant relationship between dimensions of responsible marketing practices (CSR, ethical marketing and customer privacy) and customer loyalty. Therefore, the study concluded that CSR, ethical marketing and customer privacy as responsible marketing practices, are key determinants of customer loyalty of resort hotels in Port Harcourt. This means that resort hotels in Port Harcourt that seek improved customer loyalty can achieve it by undertaking CSR, focusing on ethical marketing and ensuring customer privacy.

Keywords: Consumer privacy, customer loyalty, ethical marketing, resort hotels, responsible marketing practices.

Introduction

Responsible marketing practices have become essential for resort hotels that aspire to improve their marketing performance. This is because responsible marketing practices not only cultivates customer trust and loyalty, but also distinguishes firms in a competitive market. Resort hotels in Port Harcourt, Nigeria are progressively implementing responsible marketing strategies to comply with global sustainability trends and satisfy changing expectations of environmentally conscious travelers. Practices that foster ethical behaviours, environmental stewardship and social responsibility are all proper means of responsible marketing in the hospitality sector; while open communication, participative engagement with local communities, and promoting eco-friendly practices are key characteristics of responsible marketing. Hotels, and indeed all businesses can improve their brand reputation and attract eco-conscious consumers by adopting these practices.

Majority of resort hotels in Port Harcourt face issues with customer retention, brand loyalty, and competitiveness. This may be due to ineffective implementation of responsible marketing practices. Since, unethical marketing practices, environmental pollution, and neglect of host communities not only kill sales, but also ruin consumer trust and damage brand reputation (Kwon et al., 2020). Besides, tourists are more likely visit eco-friendly hotels that consider fair prices and good business ethics (Anwuri & Nzei, 2021).

Marketing performance, service quality, and pricing strategies have been at the forefront of studies in the hospitality industry in Nigeria (Okonkwo, 2019; Nwulu & Uhiara, 2017). Yet, empirical studies on the link between responsible marketing and customer loyalty in the

hospitality industry, especially, resort hotels in Port Harcourt, are rare. This has constrained the capacity of hoteliers in Port Harcourt, to develop and apply sustainable marketing strategies that are in line with ethical consumer expectations.

Therefore, this study sought to reduce the research gap by evaluating the impact of responsible marketing practices on customer loyalty of resort hotels in Port Harcourt. Corporate social responsibility (CSR), ethical marketing and consumer privacy were used as proxies of responsible marketing practice. A nuanced understanding of the relationship responsible marketing practice and customer loyalty will benefit hoteliers, policymakers and marketers by enhancing their ability to nurture consumer confidence and map long-term sustainability. The specific objectives of the study were to determine the relationship between:

- a) CSR and customer loyalty of resort hotels in Port Harcourt.
- b) Ethical marketing and customer loyalty of resort hotels in Port Harcourt.
- c) Consumer privacy and customer loyalty of resort hotels in Port Harcourt.

Concept of Responsible Marketing Practices

Building trust, fostering long-term connections, and ensuring sustainable company operations are the goals of organisations that practise responsible marketing. This means being ethical, honest, and focused on consumers. While putting the needs of consumers, communities, and the environment first, these practices align with ethical standards and are regulation compliant (Kotler & Armstrong, 2022). Responsible marketers work to benefit society as a whole rather than just their bottom line, by treating customers with respect and being forthright and honest in all their dealings.

Advertisement that are accurate and do not make misleading claims are important part of ethical advertising, which is a part of responsible marketing. Ethical advertising prevents businesses from misleading customers by downplaying a product's drawbacks or highlighting its advantages. Schiffman and Wisenblit (2021) state that firms are under pressure from customers who want more accurate product information due to rising need for openness. As several high-profile instances of fraudulent advertising have shown, misleading commercials may harm brand reputation and lead to legal ramifications (Schiffman & Wisenblit, 2021).

Another aspect of ethical marketing is protecting consumer privacy. Companies now gather massive volumes of customer data to tailor advertising messages and enhance customers' experience, all thanks to the proliferation of digital marketing. Privacy and data protection regulations exists to assuage worries about data abuse, unauthorized sharing, and breaches (Smith, 2022). Transparency in data collection, and safe and ethical use of customers' personal information are priorities for responsible marketers.

Additionally, ethical marketing techniques encourage reasonable prices and do not resort to exploitative tactics. Pricing products fairly for all customers is essential. Companies risk damaging their reputations and public perception when they engage in price gouging, especially during times of crisis. As an example, certain companies encountered criticism and legal consequences during the COVID-19 epidemic because they raised prices on essential commodities, which caused consumers to lose faith in them (Grewal & Levy, 2021). Companies that charge fairly for their products earn customers' trust and optimize profits in the long-run.

Transparent, ethical and society and customer expectations-compliant company operations are the basis of ethical marketing practices. CSR, marketing ethics and customer data protection

are key pillars of responsible marketing stands, and each impacts the credibility, customer loyalty, and survival of a company; hence are adopted as dimensions of responsible marketing practices in this study.

CSR describes a situation where an enterprise considers social good, conservation of the environment, and ethical behavior alongside profit-making (Crane et al., 2021). It is a demonstration of firms' concern for positive contribution to society via product development, and brand communications. Improving the image of their company and fostering closer emotional connections with socially and environmentally conscious consumers are two benefits companies gain through CSR-based marketing.

Ethical marketing represents marketing activities founded on truthfulness, fairness, and social responsibility. Ethical marketing challenge organisations to highlight the importance of honesty, transparency and respect for consumers' rights in all their communications (Schiffman & Wisenblit, 2021). The objective of ethical marketing is to provide customers with true information regarding products. Truthful advertising, which forbids making misleading or inflated claims on a product's advantages, is a key part of ethical marketing. Legal ramifications and loss of customer confidence may result from deceptive advertising. For example, when it came to light that Volkswagen had inflated the pollution levels of its cars in advertising, the business was subject to worldwide condemnation and fines (Smith, 2022). To promote products ethically, businesses must provide customers with factual information that enables educated purchases.

The collection of massive volumes of user data by corporations in the digital era makes consumer privacy an essential component of responsible marketing. Marketing that respects consumers' right to privacy does not share their information with third parties without the explicit permission of the consumer. It also takes precautions to prevent un-authorized access to consumers' data (Smith, 2022). Cookies, social media interactions, and online transactions allow corporations to follow customer activity, which is especially important with the development of targeted advertising. There are worries about data abuse, even when personalized marketing improves the customer experience.

Concept of Customer Loyalty

A company's marketing effectiveness is one of the most important factors in its success and longevity. It reveals how well marketing methods help reach company objectives. Customer loyalty, revenue growth, and repeat purchase are important metrics for marketing success. In congruence with Kotler and Keller (2022), these metrics allow companies to see how they stack up in the market, how well they are doing at keeping customers, and how they may improve their marketing to make more money.

Customer loyalty is one of the most basic metrics of marketing success. Customer loyalty is demonstration of how devoted consumers are, to a brand over time. Increased profitability and long-term viability are the results when consumers choose one brand over another (Oliver, 2019). Customer loyalty is crucial because it maximises revenue from current customers while minimising marketing expenses related to winning new ones (Reinartz & Kumar, 2021).

Net Promoter Score, engagement levels, and retention are a few indicators utilised by marketers to measure customer loyalty. If the customers are satisfied and loyal to the brand, then it is an indication that the marketing campaign was successful (Zeithaml et al., 2020). Loyalty levels have a direct impact on the ability of a company to earn money in the future, and hence

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businesses emphasize personalized marketing, efficient customer service, and ongoing delivery of value.

Responsible Marketing Practices and Customer Loyalty

In today's competitive business environment, responsible marketing practices are essential aspects of marketing effectiveness. Increased customer relationships, improved brand image, and better marketing results are characteristic of companies that practice responsible marketing practices in the CSR, ethical marketing and consumer privacy protection (Kotler & Keller, 2022). Brand equity, revenue growth, and customer loyalty are just a few of the metrics that prove the relationship between ethical marketing practices and marketing effectiveness.

Promoting customer loyalty is one of the key ways in which ethical marketing efforts enhance marketing performance. Firms that do business ethically, at fair prices, and engage consumers openly are likely to keep their customers in the long term (Zeithaml et al., 2020). Firms with solid social and environmental missions and solid ethics have more loyal customers. Firms that contribute to their communities or try to improve the environment keep customers happy and enlist their (Grewal & Levy, 2021). Based on these evidences, this study suspects that responsible marketing practices will lead to customer loyalty. However, in view of our need to conduct statistical tests and interpretations, we hypothesize a follows:

Ho₁: There is no significant relationship between CSR and customer loyalty of resort hotels in Port Harcourt.

Ho2: There is no significant relationship between ethical marketing and customer loyalty of resort hotels in Port Harcourt.

Ho3: There is no significant relationship between consumer privacy and customer loyalty of resort hotels in Port Harcourt

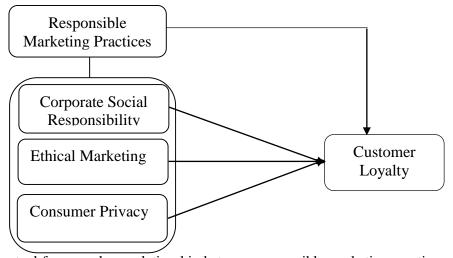


Fig. 1: Conceptual framework on relationship between responsible marketing practices and customer loyalty of resort Hotels in Port Harcourt.

Theoretical Foundation

This study is premised on stakeholder theory (Freeman's, 1984) which canvases that companies should act in ways that take into consideration, the interests of different stakeholders. The overall impression of corporations is that their sole purpose is to maximize shareholder value. Yet, stakeholder theory argue that companies are not only required to take care of themselves, but also to take care of customers, employees, suppliers, investors, government agencies and communities (Harrison & Wicks, 2019). In order to practice responsible marketing, businesses

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have to guarantee that their marketing practices are in line with social and ethical requirements of all interest-holders.

Stakeholder theory assumes that the extent to firms, resort hotels in this case, observe responsible marketing practices determines their effectiveness. Firms may create long-term value by abiding by ethical practices and remaining responsive to different stakeholders' interests. In addition to building reputation and economic sustainability, resort hotels that incorporate CSR, ethical marketing, and customer privacy are likely to enjoy more goodwill and legitimacy.

Methodology

This study on responsible marketing practices and customer loyalty is quasi-experimental in nature. It adopted a survey research strategy and collected data at a single point in time (cross-sectional survey), in a non-contrived setting. This research design is suitable for exploring relationship between the variables. Survey research strategy involves collecting data from individuals by asking them to respond to questions or statements (Sullivan, 2001). Survey research strategy is advantageous because it eases primary data collection. The study setting is non-contrived and the research has no control over variables and element in the study (Nachmias & Nachmias, 1996).

The population of the study comprised 10 resort hotels operating in Port Harcourt. The study took a census and collected data from 10 management personnel from each hotel. Table 1 presents the list of resort hotels and number of respondents from each.

Table 3.1: List of Selected Resort Hotels in Port Harcourt

| S/N | Resort Hotels | No. of Respondents | | | | |
|-----|-----------------------|--------------------|--|--|--|--|
| 1 | Royal Palm Resort | 10 | | | | |
| 2 | Ocean Breeze Resort | 10 | | | | |
| 3 | Blue Haven Retreat | 10 | | | | |
| 4 | Grand Bay Hotel | 10 | | | | |
| 5 | Riverside Resort | 10 | | | | |
| 6 | Elite Paradise Resort | 10 | | | | |
| 7 | Crystal Cove Resort | 10 | | | | |
| 8 | Lagoon View Hotel | 10 | | | | |
| 9 | Prestige Resort | 10 | | | | |
| 10 | Golden Sands Resort | 10 | | | | |
| | Total 100 | | | | | |

The study collected data using structured questionnaire developed in accordance with the research questions. The face and content validity of the instrument was determined via expert jury opinion and works in literature respectively. Data collected from respondents was analysed at the primary level of analysis using mean scores and standard deviation; while t-test associated with simple regression is used to test the hypotheses formulated. The entire data analyses were done relying SPSS Version 25.0.

Results and Discussion

Management level staff of 10 resort hotels in Port Harcourt, Nigeria were each provided with 10 copies of the questionnaire to respond to. All 100 copies of questionnaire distributed were retrieved; and used in the final analyses. The high response rate stems from the fact the

researcher waited for each respondent in each resort hotel to complete the questionnaire before going to the next, for all 10 resort hotels. This is as opposed to the drop-and-pick-up later approach commonly adopted.

Demographic Analyses of Respondents

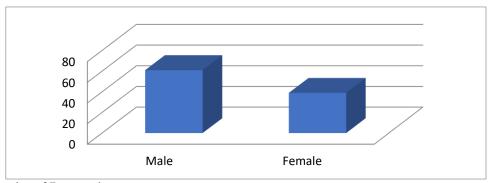


Fig. 1: Gender of Respondents Source: SPSS Result 2025

The results showed that 39 (39%) out of 100 partakers were female, while 61 out of 100 were male (61%).

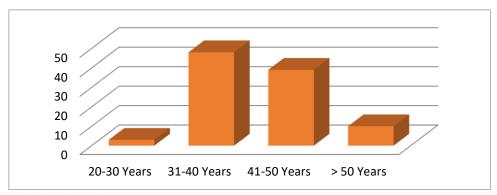


Fig. 2: Age distribution of respondents

Source: SPSS Result 2025

Fig. 2 shows 3% of respondents were in the 20-30 age range, 48% were in the 31-40 age bracket, 39% were in the 41-50 age bracket, and 10% were in the 50+ age bracket.

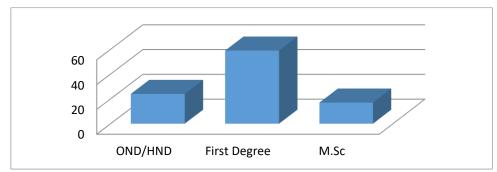


Fig. 3: Educational qualification of respondents

Source: SPSS Result 2025

Fig. 3 shows that 24% of respondents had an OND/HND as their highest educational qualification, 59% had BSc. while 17& had Master's degree.

Univariate Analysis

Table 1: Mean and Standard Deviation of Responses to Items on CSR

| Items | Mean | Std. Dev. | Variance |
|---|--------|-----------|----------|
| Our hotel engages in community development projects to improve its social impact. | 3.594 | 1.0463 | 1.095 |
| We implement eco-friendly practices as part of our business operations. | 3.878 | 1.0108 | 1.022 |
| The hotel supports local businesses and suppliers as part of its corporate social responsibility initiatives. | 3.612 | 1.0122 | 1.198 |
| Corporate Social Responsibility (CSR) | 3.6947 | 1.0231 | 1.105 |

Source: SPSS Result 2025

Using a five-point Likert scale, three question items were developed to examine the CSR construct. In order to ascertain the mean response to CSR, we computed the mean of the three items. In accordance with the mean response on the items, the CSR of the resort hotels was well evaluated (3.69). The management staff believes that CSR is a manifest aspect of their activities.

Table 2: Mean and Standard Deviation of Responses to Items on Ethical Marketing

| Items | Mean | Std. Dev. | Variance |
|--|-------|-----------|----------|
| Our marketing campaigns provide truthful and accurate information to customers. | 4.002 | 1.0360 | 1.073 |
| The hotel avoids misleading advertisements or exaggerated claims. | 3.944 | 1.0726 | 1.151 |
| We prioritize fairness in pricing and promotional offers to maintain customer trust. | 4.034 | 1.0079 | 1.016 |
| Ethical Marketing (EM) | 3.993 | 1.0388 | 1.08 |

Source: SPSS Result 2025

Ethical marketing was assessed utilising three questionnaire items which were devised using a five-point Likert scale. Table presents the labels of the items. In order to ascertain the overall mean of responses to ethical marketing construct, the mean of the three items was computed. In congruence with the response, ethical marketing of resort hotels is somewhat well-received (3.99). This means that management staff of resort hotel view ethical marketing as a key component of their operations.

Table 3: Mean and Standard Deviation of Responses to Items on Consumer Privacy

| Items | Mean | Std. Dev. | Variance |
|---|--------|-----------|----------|
| Our hotel ensures the confidentiality of customers' personal data. | 4.005 | 1.0878 | 1.183 |
| We obtain customer consent before collecting and utilising their data for marketing purposes. | 3.902 | 1.0960 | 1.201 |
| The hotel has security measures in place to protect customer information from breaches. | 3.900 | 1.1138 | 1.240 |
| Consumer Privacy (CP) | 3.9357 | 1.0992 | 1.208 |

Source: SPSS Result 2025

Consumer privacy was assessed using three questionnaire items which were designed in five-point Likert scale. We calculated the mean of the three items to determine the overall mean of responses to items on consumer privacy. With an overall mean score of 3.94, managers of resort hotels largely agree they operate on policies that safeguard guest privacy.

Table 4: Mean and Standard Deviation of Responses to Items on Customer Loyalty

| _ | | | <u> </u> |
|--|-------|-----------|----------|
| Items | Mean | Std. Dev. | Variance |
| Customers prefer our hotel over competitors due to our responsible marketing approach. | 3.946 | .9750 | .951 |

| Guests frequently return to our hotel because of our ethical business practices. | 3.840 | .9921 | .984 |
|---|-------|--------|--------|
| Positive word-of-mouth recommendations from satisfied customers increase our customer base. | 3.621 | .9931 | .941 |
| Customer Loyalty (CL) | 3.802 | 0.9867 | 0.9587 |

Source: SPSS Result 2025

A three-item five-point likert scale was used to measure customer loyalty. We calculated the mean of responses to the three items to determine the overall mean score on responses to items on customer loyalty. With an overall mean score of 3.802, management staff of resort hotels largely concede that they enjoy customer loyalty.

Test of Hypotheses

Table 5: t-test and simple regression analyses on CSR and customer loyalty

| | · · · · · · · · · · · · · · · · · · · | | | | - 5 5 | |
|------|---------------------------------------|-----------------------------|------------|--------------|--------|------|
| Mo | odel | Unstandardized Coefficients | | Standardized | t | Sig. |
| | | | | Coefficients | | |
| | | В | Std. Error | Beta | | |
| 1 | (Constant) | 3.088 | .446 | | 6.920 | .000 |
| | Customer Loyalty | .833 | .029 | .835 | 28.967 | .000 |

Source: SPSS Result 2025

Table 5 displays a coefficient of 0.833 on the relationship between CSR and customer loyalty of resort hotels. At 0.05 significance level, the linear regression-associated t-test value of 28.967 was statistically substantial at 0.000. The null hypothesis was therefore rejected. Consequently, the study holds that there significant relationship between CSR and customer loyalty of resort hotels in Port Harcourt.

Table 6: t-test and simple regression analyses on ethical marketing and customer loyalty

| Model | l | Unstandardiz | zed Coefficients | Standardized | T | Sig. |
|-------|------------|--------------|------------------|--------------|--------|------|
| | | | | Coefficients | | |
| | | В | Std. Error | Beta | | |
| 1 | (Constant) | 3.368 | .464 | | 7.263 | .000 |
| | Customer | .819 | .030 | .819 | 27.260 | .000 |
| | Loyalty | | | | | |

Source: SPSS Result 2025

Table 6 shows that the correlation coefficient on the link between ethical marketing and customer loyalty of resort hotels is 0.819. At 0.05 significance level, the linear regression-associated t-test value of 27.260 was statistically significant at 0.000. The null hypothesis was thus rejected. This means that a statistically significant relationship exists between ethical marketing and customer loyalty of resort hotels in Port Harcourt.

Table 7: t-test and simple regression analyses on consumer privacy and customer loyalty

| Model | | Unstandardized | Coefficients | Standardized Coefficients | Т | Sig. |
|-------|------------|----------------|--------------|---------------------------|--------|------|
| | | В | Std. Error | Beta | | |
| 1 | (Constant) | 4.672 | .476 | | 9.811 | .000 |
| | Customer | .736 | .031 | .781 | 23.820 | .000 |
| | Loyalty | | | | | |

Source: SPSS Result 2025

The correlation coefficient between consumer privacy and customer loyalty of resort hotels, as shown in Table 7 is 0.781. The linear regression-associated t-test value of 23.820 was statistically substantial at 0.000 when subjected to a 0.05 alpha level threshold. As a result, the

null hypothesis was rejected. Consequently, there exist a significant relationship between consumer privacy and customer loyalty of resort hotels in Port Harcourt.

Conclusion

This study examined the relationship between responsible marketing practices and customer loyalty of resort hotels in Port Harcourt. Based on the results of the statistical tests conducted, the study concludes that responsible marketing practices in has statistically relationship with customer loyalty. This means CSR practices that make customers feel valued, satisfies, connects and keep them loyal to resort hotels. Resort hotels can differentiate themselves from others, build long-term relationships with customers, and inspire repeat patronage by integrating CSR activities. The demand for ethical consumption and willingness to patronize businesses that engage in social and environmental responsibility increasingly underscore the significance of CSR in cementing customer loyalty of the hotel sector.

The results of the study also showed that resort hotels had greater customer loyalty when they adopt ethical marketing. Ethical marketing is a key predictor of loyalty behavior because it leads to trust, value fit, and happiness. Thus, resort hotels that are interested in distinguishing themselves from rivals should adopt marketing approaches that aim at tourists' ethics in order to attract, retain, and develop an emotional connection with them.

Further, the results of the study recognize customer privacy as an important determinant of customer loyalty of resort hotels. Among many aspects of privacy that influence customer loyalty are guests' perception of being in control of their information, clarity of the hotel's data policy, the form of its data security system, and the implementation of its privacy assurance routines. Aside from fulfilling legislative requirements, resort hotels can form lasting customer relationships, create trust, and satisfy guests by prioritizing consumer privacy.

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