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Strategic Alliance: A Panacea for Sustainable Customers Patronage in Petrol Filling Stations in Nigeria

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Abstract— *Strategic alliance is another alternative that firms have to expand their businesses through collaboration. This form of contemporary business strategy in many places appears to have not been fully recognized or adopted in the Nigerian petrol filling station outlets. The paper examined strategic alliance as a panacea for sustainable customers' patronage in petrol filling stations in Nigeria. The paper was underpinned on resource-advantage theory. The paper adopted survey research design. The population was infinite and sample size of 380 was generated using Cochran (1967) formula. Multi-stage sampling procedure was used in selecting three states out of the five South Eastern states and they were Abia, Anambra and Imo. The major instrument of data collection was questionnaire. The generated data were analyzed using inferential statistics such as frequencies, percentages, standard deviations and aggregate score, whil hypothesis was tested using correlation analysis, through the aid of the Statistical Package for Social Sciences (SPSS) software version 20. The result revealed that there is a weak positive relationship between strategic alliance and customer patronage in the petrol stations at r= 0.420, on a P-value of 0.580. The paper amongst others recommended that petrol stations should collaborate with one another, bringing expertise and competitive advantage in resources, competences and capabilities to bear. They should concentrate on their competitive edge. This will not just save cost for them but provide the customer with services they will ordinarily want to sort in other places. As customer interest is addressed, the firm attracts continued patronage*.

Keywords— *customer patronage, filling station, strategic alliance, sustainability*.

I. INTRODUCTION

Sustainability is the process of adopting business strategies and activities that meet the needs of an enterprise that could enable it remain relevant and operational (Deloitte & Touche, 2000). The domestic management of petroleum products has increased the instability of consumer preferences and the growing intensity and sophistication of competition are forcing firms to analyze further opportunities. Exploiting existing competencies and exploring newer ones depict the possibilities a firm has to attain business sustainability. Today's business environments are complex and increasingly characterized by intense competition. Sellers no longer dictate the pace. Customers' expectations of products, goods and service quality have been on the increase as a result of ease of access to information due to availability of ever increasing modern technologies that facilitate rapid communication globally (Chinambu, 2012). This enables efficiency in production and service to a larger market or customers. The competition for scarcely available customers has compelled many businesses to sort for ways of developing business sustainability.

Study has shown that to gain new customer need 7 to 10 times more than capital expenditure to maintain the old ones. This has made it clear to most businesses that for continuation in the market require to stop carrying old customers, but to ofcourse acquire newer ones (Bogacki, Ciesla, Juzek & Turon, 2015). It is believed that enhanced customer loyalty will transcend to continued customer patronage (Baharun, 2006). To him, this can be achieved through ideal entrepreneurial orientation or strategic business alliance in such a way that a gift shop could be instituted and controlled by the allied business partner and offers to customers at no cost or discounted rate.

Despite the need for continued patronage, some retail outlets lack both service and product qualities, thereby creating the need for strategic business alliances. This explains why most petrol filling stations are in recent times beginning to introduce eateries, supermarkets, event or relaxation centres and other forms of business alliances as to attract pool of customers that in the course of shopping would equally fill their motor tanks. Therefore, like every other business, the oil and gas service requires robust strategies for its survival and growth in an increasingly subtle, unstable and seemingly hostile business environment as in Nigeria. Such strategic alliance is another alternative that firms have to expand their businesses through collaboration. This form of contemporary business strategy in many places appears to have not been fully recognized or adopted in the Nigerian petrol filling station outlets. It is against this backdrop that the study examines strategic alliance as a panacea for sustainable customers' patronage in petrol filling stations in Nigeria. The paper is guided by this hypothsis; 'there is no significant relationship between strategic alliance and customer patronage in petrol stations in South Eastern Nigeria'.

II. Conceptual Review

Strategic Alliance

Strategic alliance is another alternative that firms have in their expansion strategies. Alliances intend to capture the benefits of internal development and while avoiding drawbacks. Strategic alliances can be defined as "voluntary agreements between firms involving exchanging, sharing or developing products, technologies, or services (Gulati, 1998). It is also believed that a strategic alliance describes cooperation where two or more firms share resources and activities to pursue a strategy as a means of achieving the same objectives (Aubert & Frigstad, 2007). However, strategic alliances can be seen as a compromise between pure market transactions and complete ownership solutions. It can take on a variety of forms, ranging from non-equity based contractual agreements such as R&D contracts, turnkey projects and licensing to equity-based contractual agreements such as joint ventures. Contractual agreements that do not involve equity require a lower level of commitment and are often limited in scope and duration. Equity-based alliances, on the other hand involve a higher level of commitment as it involves strategic investment and cross-shareholding (Collis & Montgomery, 2005).

Strategic alliance is where two or more companies come together to share resources and activities together, in order to pursue a strategic objective (Aigbepue & Olabisi, 2013**)**. This option might be resorted to due to a number of reasons which include; high cost of capital requirement for the resources concerned, environmental factor, legal requirement, technical expertise required by the resources, and so forth. In Nigeria, strategic alliances have become popular as a means of surviving the ever complex business environment. It helps to meet the ever insatiable needs of customers. It cuts across sectors of the Nigerian economy; banking, oil and gas, manufacturing, to mention but a few. A typical example could be likened to Stanel oil along Nnnamdi Azikiwe University, Awka gate, where we have SPARS, Chicken Republic, Farmers Market, Supermarket, Pharmacy, oil and gas etc. As a strategic business alliance, Stanel owns the oil and gas and possibly any of these other business outlets, but provides the platform for other businesses to co-exist. This strategy can compel a customer to organize his or her shopping in one stop since the shops strategically allied to provide the teeming customers different goods and service in the same station and stop.

Strategic alliances can be through a joint venture or through short-term collaboration of two or more companies to execute particular projects. The two mentioned strategies may be as a result of the need to achieve efficiency and competitive advantages and/or to avoid the pitfall of market uncertainties, and structural rigidities. According to Yoshino and Rangan (2015), strategic alliance is an alliance that involves at least two firms that are legally independent to share a common infrastructure and other things as agreed after the alliance like share managerial control over task and continuous contribution to the objective of the alliance.

Now imagine opening a bank account at a petrol pump in just three minutes. This is now made possible after IOCL partnering with Vakrangee Ltd to open VakrangeeKendras at more than 20,000 petrol pumps across India. With this alliance, IOCL petrol pumps have become the largest e-mall in the world offering assisted online shopping experience with over 35 million goods to offer through such Kendras. Citizens also get their Aadhaar Enrolment and Updations at these outlets. Apart from this, Vakrangee Kendra has wide range of Insurance Products to offer from Life, Non-Life and General Insurance. With more than 1000 services to offer, citizens also book a two-wheeler from Mahindra and Mahindra, pay utility bills, get courier services and get mobile and DTH recharge done (Vakrangee, 2015). This form of strategic alliances have not only ensured attraction of customers to petrol filling stations, but also continued patronage.

Motive for Alliances

There are a number of motives for strategic alliances between and among firms. However, they tend to be of three main types (Johnson, Scholes & Whittington, 2005). The motives for strategic alliance by firms include:

1. The need for critical mass: Alliances bring competitors or those producing complementary goods or services together. This leads to cost reduction and increases in customer value and satisfaction.
2. Co-specialization: It allows partners to specialize on the activities that maximize the achievement of their strategic objectives or where their capabilities are best used. For example, producer may form an alliance with distributors for the effective marketing of his goods and services by those who possess the capabilities to do so in a particular geographical region.
3. To learn from partners: This helps the allies to learn and develop distinctive competences that may be useful elsewhere. For example, partnering with those firms that are successful in the area of interest helps partners to gained knowledge that can be useful in another area of business.

Types of Strategic Alliances

There are a number of strategic alliances in existence among firms. The type that is favoured or adopted by firms or group of firms at a time is a function of their objectives, resources, capability, top management preferences or value, and environmental forces. However, some of them include:

1. Joint ventures: They are collaborative arrangements where independent firms setup jointly owned firms. This is the highly favoured means of collaboration in china. While the Chinese provides labour and avenue for effective market penetration, the western firms in the venture provide technology, management expertise and finance. In another perspective, joint ownership venture consist of one company joining forces with foreign investors to create a local business in which they share joint ownership and control (Kotler et al, 1999). Joint ownership of business between local and foreign

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firms is necessitated by a number of reasons, which include economic and/or political reasons.

A foreign government may require that certain percentage of shares be owned by local investor as a condition for entry into its market by foreign investors. For example the British Telecom's joint venture with MCI, American's number two Long-distance carriers are cases in point (Kotler et al, 1999). Joint ventures have a number of drawbacks which include; investment disagreement by partners, and marketing or others challenges. To benefit maximally by partners to a joint venture, the partners must clarify and stick to their expectations and objectives at the beginning and work towards ensuring that all partners equitably benefits from the outcome or profit of the venture.

2. Networks alliances: under this arrangement, two or more firms form alliance with formal relationship to exploit common opportunity. This type of alliance is increasingly being used by airline firms. It is usually to achieve strategic marketing objectives by partners. For example, Air France versus KLM, and Delta versus Swissair Lines are in strategic alliances of this type (Segil, 1995). The essence of this type of alliance is to among others minimize the rate of competition and operational/marketing costs.

3. Intermediate alliances: In this arrangement, some rights are granted to some firms (franchise) to perform specific activities like manufacturing distribution or selling, while the franchiser undertakes brand name, marketing and if possible training. Also, firms may decide to subcontract part of its activities to another firm under this arrangement.

4. Contract manufacturing: Under this arrangement, a company enters into a contract with manufacturers in a foreign market to produce its product or service. It is mostly used to enter a new market. The challenges of this alliance include lack of control of the manufacturing process and reduction in the expected profit on manufacturing (Todeva & Knoke, 2005). However, the benefits include; it increases the chances of start time, it is less risky to use than other mode of alliances, and it provides an opportunity for the partner to buy up local manufacturer.

5. Management contracting: In management contracting, the local firm provides managerial expertise to foreign firm or partner who supplies capital for the alliance or venture (Hergert & Morris, 1998). The benefit is that profit for the provider of the expertise starts from day one. However, it discourages self investment or reduces the chances of setting up own venture on the part of the provider of the expertise.

Factors that Determine the Success or Failure of Strategic Alliances

The success or failure of strategic alliances between or among firms is dependent on a number of factors. They may include but not limited to the following factors:

1. Strategic purpose: The reason for any alliance is to achieve certain objectives. These objectives could be to penetrate a new market, expand existing market, pursue cost advantage, minimize the rate of competition among rivals, and so forth (Lambin, 2010). However, the levels of accomplishment of the predetermined objectives of the collaborating firms determine the success or failure of the alliance, that is, whether they are realized or not.

2. The level of trust among partners: Trust is the most crucial elements of success or failure of partners in a strategic alliance. Trust is of two dimensions. That is, whether or not the partners have trust on the competences of each other ability to fulfill their part in the alliance; and also on the character of partners compatibility in terms of attitude and integrity to fulfill their part of the alliance. If trust exist among partners in an alliance, then, success will be possible. Contrarily, it will be an illusion of the strategic objectives of the firms in the alliance.

3. Cultural compatibility: Alliances among firms that cut across countries of different cultural background require extra efforts by partners to achieve a high degree of human relationships that will see the alliance through to the realization of the objectives of the allies. This requires among other things accommodation/adaptability of these cultural differences to achieve the objectives of the alliance. Contrarily, failure becomes imminent.

Despite the fact that strategic alliances has been embraced by a number of firms as easy way out of the global economic meltdown and other environmental constraints that hinder a firm effectiveness, it is however confronted with a number of challenges between or among firms in the sector. Some of such challenges according to Hill (2001) and Maitland (2010) include:

1. Management problem: The value of the collaborating firms differs, so also are the managers different in their preferences and culture. These differences in value and preferences culture can be a source of conflicts among managers from the collaborating firms.

2. Low- cost route to new technology and new market: Strategic alliances among firms allow some firms to have cheap access to new technology that would not have been easy to come by through research and development or imitation. However, this benefit will be achieved at the expense of the original owner of the technology. Also, at the expense of the partner(s) that is already familiar with the market etc.

Sustainability

The concept of sustainability has received growing recognition, but it is a new idea for many business executives (Beltz & Frank-Martin, 2009). For most, the concept remains abstract and theoretical. Protecting an organization's capital base is a well accepted business principle. Yet, many have not considered the need for sustainability of their businesses. The International Institute for sustainable Development in conjunction with Deloitte and Touche (2000) stated that if sustainability is to achieve its potential, it must be integrated into the planning and measurement systems of business enterprises. They stressed that sustainability means adopting business strategies and activities that meet the needs of the enterprise and its stakeholders. Notwithstanding how good the views are, they fail to make a clarity in the strategies or activities that when adopted guarantees the satisfaction of the needs of the enterprise and stakeholders. This is because one may misplace strategic business plans to sustainability.

However, sustainability.com in conjunction with Rochelle and Aiste (2016) believe that sustainability is simply the ability to sustain. They posit that it is about the future of any business from today's commercial success. They insist that as simple as their disposition is, it captured the expectation and meaning of sustainability vividly and in a nutshell. Inasmuch as sustainability can be said to simply mean to sustain, they did not say the exact thing that would be sustained. That is, whether to sustain the old way that the business was being runned or the unproductive change in patterns of operations. Hence, Lorenzi and Sørensen (2014) argued that business development tasks and processes serve to sustain and improve firms' innovative efforts. Rochelle and Aiste (2016) submit that a business firm can be sustained when customers' loyalty and patronage are obtained. On the other hand, Beltz and Frank-Martin (2009) attribute the sustainability to adequate or healthy relationship marketing.

Customer Patronage

According to the Concise Oxford English Dictionary (2008), the word customer or consumer patronage means a person or thing that eats or uses something or a person who buys goods and services for personal consumption or use. People patronize organizations products/services at one time or the other. In the context of this study, customer patronage and loyalty interchangeably used because customer patronage precedes loyalty. There is a strong relationship between patronage and loyalty. Patronage is burn out of a desire to be committed to an organization either based on its service quality or perceived service qualities. Hence, the extent to which a customer will patronize the services of a firm depends on how the customer perceives the station's physical environment (services cape) and how the customer also thinks and feels that the condition of the service environment is consistent with his /her personality.

Business firms in the 21st century often compete for customers in order to increase their market share. Also, their service quality and delivery strategies should be improved while looking for new avenues to regularly attract and retain their customers. The importance or essence of repeat customer patronage is that an increase in sales volume will ultimately and significantly impact on the company's profitability level (Adiele, Justin & Gabriel, 2013). The works of previous researchers on patronage of business organisations were anchored on related measures used by the researchers on Business performance, marketing performance or effectiveness etc. Here, in measuring customer patronage, most researchers adopted measures similar to business or marketing performance. Notwithstanding the enormously complex and dynamic nature of the environment in which firms compete, there is a growing body of evidence that suggests it is possible to discern relevant measures or indicators of patronage in these firms.

Petrol Filling Station

The term 'petrol service or filling station' is an expression commonly used in Nigeria and it is synonymously understood differently in different countries of the world. In an attempt to define it, Taylor, Sichinsambwe & Chansa (2016), considered different expressions such as filling station, petrol station, gas station or petroleum outlet as any land, building or equipment used for the sale or dispensing of petrol or oil for motor vehicles or incidental thereto and includes the whole of the land, building or equipment. To them, once petrol products like fuel or oil is being sold at an identifiable land, building or equipment it becomes a petrol station. Arguably, this is inaccurate as a road-side petrol products seller or the black-markers along the roads or in container facilities cannot be said to be operating a petrol filling station. This is because, inasmuch as they are selling petroleum products at an identifiable location or place, it is undisputed that there operations are illegal and unapproved by the appropriate authorities. However, Nieminen (2005) defines a petrol station as an area including fuel equipment and piping, storage tanks, forecourt and possible building premises for the sale of fuel (inflammable liquids) to customers vehicles. To this view, a petrol station sells its products to only motorists. In other words, residents that are in need of kerosene and cooking gas have nothing to do in a petrol station. It is therefore clear that this definition is lopsided and does not actually cover the essence of this study.

Most filling stations sell petrol or diesel; some deal on specialty fuels such as liquefied petroleum gas (LPG), natural gas, hydrogen, biodiesel, kerosene or butane, while many add shops or eateries to their primary business. From the foregoing therefore, a petrol station can be described as any approved location with buildings, dispensing pumps, storage tanks, for the sell of petrol, kerosene, gas and oil to customers and service of motor alignment, strategic supermarket alliance, and security.

Notwithstanding, Taylor *et al* (2016) made effort to outline some of the factors considered when selecting location for this utility outlet are:

- Proximity to population centers
- Distance from neighboring petrol filling stations
- The easements of using existing utility
- The topography
- The traffic flow
- Competition
- Ease of accessibility and exit
- Future government plan
- The magnitudes of environmental pollution parameters.

History of Petrol Filling Stations in Nigeria

The history of filling stations in Nigeria dates back to 1907 when the Socony Vacuum first brought the first cargo of sunflower kerosene to the country and since then up to Nigeria's independence in 1960, oil companies had been in full control of arrangement for supplying petroleum products (Udoh, 2013). Even though filling stations' operations began prior to independence, the business was nothing to write home about till 1960s. This is because till close to independence the mileage of motorable roads hardly increased and the vehicles plying these roads were quite few. However with the independence in 1960, construction of more roads, schools, and factories started and consumption of petroleum products sky rocketed. Demands for all grades of products started to overtake the supply and this became more manifest after the civil war (Udoh, 2013), hence leading to opening of many filling stations across the country. The filling station operators are often referred to as oil marketing companies.

In South Eastern Nigeria, the Department of Petroleum Resources (DPR, 2017) statistics indicate that there are about three thousand, three hundred and fifty-one (3,351) petrol stations. Notably, many of these filling stations are not functional and dormant. The distribution by states is as shown in Table 1.

TABLE 1. Distribution of Petrol Stations in South Eastern States

South East States	Number of Petrol Stations
Anambra	966
Abia	764
Enugu	668
Ebonyi	291
Imo	662
Total	**3,351**

Source: DPR (2017).

Theoretical Orientation: Resource-Advantage Theory

Resource-Advantage (R-A) theory was propounded by Shelby D. Hunt. The theory suggests that firms can achieve superior performance through occupying market-place positions of competitive advantage. Competitive advantage can be achieved through management decisions which transform distinctiveness in resources into a market offering that is valued by one or more market segments (Conner, 1991). Rather than referring to the traditional factors of production (land, labor and capital), resources in the resource-advantage theory is deemed to include the firm's core competencies which are higher-order resources that can be categorized as finance, physical, legal, human, organizational, informational and relational (Prahalad & Hamel, 1990). These resources are considered to be both heterogeneous and imperfectly mobile. Thus, each firm has an assortment of competencies which are composed of resources that are in some way, unique and cannot easily be duplicated by competitors (Barney, 1991; Prahalad & Hamel, 1990). Resources are both tangible and intangible and enable the firms to produce efficient and/or effective market offerings that have value for one or more market segments (Hunt & Morgan, 1996).

The theory has it that the key determinant of profitability is based on superior performance and sustainable competitive position primarily on the resources of the firm. The key challenge for managers therefore is to transform basic resources into core competencies, which form the foundation of superior competitive positions in specific market segments. The basic idea is that it is resources that are difficult to imitate and substitute that are the basis for superior performance. These resources are embedded as core competencies within the firm. They are developed, not acquired, and hence have low tradability (O'Keeffe, Mavondo & Schroder, 2000). They stressed that it is important to note that core competencies improve with use, and are less subject to depreciation, making them a source of sustainable competitive advantage.

In application, to break even or make tremendous success, petrol filling stations are expected to harness the potentials of its resources. For instance, the human resource of such ventures (pump attendants, sales representative, managers etc) should be continuously trained to best business professional approach to customers. This is to boast customer loyalty and patronage. Also, through strategic alliances like tyre alignment, free air, good convenience or even gift packages to committed customers can help promote the business. This could be achieved through alliance or partnership with popular eateries, car maintenance companies, car wash services, bank ATM machine, supermarkets etc. Through patronizing of these other outlets, the customers would often make the filling station the point of their fuel purchase. It is therefore succinct to state that through proper application of resource-advantage theory, business activities in petrol filling stations would not only be sustained, but enhances continued customers patronage.

III. METHODS

The paper adopts survey design. The population of the study is infinite. This is because they consist of motorists that patronize those filling stations and the choice of motorists is based on the fact that they are major consumers of petroleum products. The sample size is 380. This was statistically generated using Cochran (1967) formula after six days traffic count that gave 7805. The study location was South Eastern Nigeria. Multi-stage sampling procedure was used in selecting three states out of the five South Eastern states of Abia, Anambra, Ebonyi, Enugu and Imo. The three selected states were Abia, Anambra and Imo. Thereafter, each of the states were stratified into its three senatorial zones and two petrol filling stations were selected from each of the zone, thereby giving six petrol stations in each state. However, the Bowley's allocation formula was used in distributing the sample size. Questionnaire served as the major instrument of data collection. Out of the three hundred and eighty (380) copies of questionnaires administered, three hundred and fifty-nine (359) that were properly filled which represent 94% response rate were retrieved for analysis. Data were analyzed using frequencies, percentages, Standard Deviations (SD) and Aggregate Scores (AS). The stated hypothesis was tested at 0.05 level of significance using Pearson product moment correlation.

IV. RESULTS AND DISCUSSION

Field Survey, 2018

Table 2 reveals the analysis of objective four on strategic alliance and customer patronage at the petrol stations in South Eastern Nigeria. It can be deduced from the table that to a Very High Extent (VHE) there is a belief that the petrol stations allies with others to control price and supply to the market for mutual benefits (x=4.9534), hence, a Moderately Extent (ME) indication that the stations around them sell petroleum products at almost the same price (x=3.1357). However, in a bid to ascertain if there was a strategic alliance among the petrol stations in carrying out projects by pooling

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resources together or collaborate with other investors in same station, the response indicated Low Extent (LE) at mean rating of (x=2.8473). This means that there is none of such effort in that direction. Furthermore, there is a clear message that to a High Extent (HE) the customers are committed to the stations they buy petroleum products based on their service quality (x=4.4662), and positive response to complaints (x=4.2352). Lastly, not only that to Very High Extent (VHE) customers patronizes the stations because they sell petroleum products at government approved prices (x=4.7523), but also on the spacing or conduciveness of the environment makes many of the customers to stick to patronage (x=4.7433). This result points that with efficient strategic alliance situated in a petrol station, there would also be customer patronage of petroleum products.

TABLE 2. Strategic Alliance and Customer Patronage at the Petrol Stations

S/N	Items	AS	SD	Remarks	*Decision*
	Strategic Alliance				
1	I perceive that the station allies with others to control price and supply to the market.	4.9534	0.4524	VHE	Accepted
2	Petrol stations does partnership with other related services for comfort of the customers	4.4253	0.0858	HE	Accepted
3	The stations pull resources together to be able to finance certain projects	2.8473	0.1936	LE	Rejected
4	The stations does not direct customers to other stations when they don't have the product	3.1357	0.0842	ME	Accepted
	Customers' Patronage				
1	I am committed to this station due to the availability different range of products and services	4.4662	0.1502	HE	Accepted
2	The spacing of different small businesses in the station makes me stick to patronizing their products.	4.7433	0.2325	VHE	Accepted
3	The petrol station I buy from ensures that approved prices is maintained in other small businesses within	4.7523	0.5853	VHE	Accepted
4	The petrol station I from ensures that all the businesses within the station sales and gives services in their area.	4.2352	0.0852	HE	Accepted

Hypothesis Test

H_A: There is no significant relationship between strategic alliance and customer patronage in petrol stations in South Eastern Nigeria. The result is presented in Table 3;

TABLE 3. Correlation Matrix of Hypothesis Four

		Strategic Alliance	Customer Patronage
Strategic Alliance	Pearson Correlation	1	.420
	Sig. (2-tailed)		.580**
	N	359	359
Customer Patronage	Pearson Correlation	.420	1
	Sig. (2-tailed)	. 580**	
	N	359	359

**. Correlation is significant at the 0.05 level (2-tailed).
R-Square = .176
Correlation (R) = .420
P-value = .580, which is greater than >0.05.

Table 3 reveals that the R^2 of the model is .176%. This implies that strategic alliance is responsible for 17.6% of the fluctuation in customer patronage. However, the correlation (r) between the variables is 0.420, which shows weak positive relationship exists between strategic alliance and customer patronage of the selected petrol stations. Since the P-value (.580) of the model is greater than 0.05 level of significance, there exists enough evidence to uphold the null, and thereby conclude that there is no significant relationship between strategic alliance and customer patronage in petrol stations in South Eastern Nigeria. Furthermore, the results show that positive relationship does not exist between strategic alliance and customer patronage. Businesses are expected to collaborate with each other in terms of resources, capabilities or competences advantage, in this regard petrol station. This collaboration is expected to enhance performance and ultimately improve returns. Therefore concentrating on those areas of strength will be of utmost benefit, it will allow for competitiveness and allow experts the latitude to explore in their familiar terrain. This will not only bring good returns but will reduce the cost of investment. Collaboration in petrol station can include provision of space or infrastructure for other ancillary services like lubricant bay, tire service bay, car wash, shops, restaurant etc to support the business. The findings contradicts *Šafranić et al* (2017) that petrol stations offer freshly prepared foods and various hot and refreshing beverages. When customers' expectation from a business is not forthcoming or when they are allowed to question the benefits or appreciation they have so far received for their continued patronage or loyalty, it becomes a motivation to seek a better place elsewhere. A good strategic business alliance was seen in Stanel - Awka, Anambra State, where there are spaces for Chicken Republic, Pharmacy, UBA ATM stand, Car wash, Farmers Market, Laundry services, Supermarket, Tyre Care Services etc., hence, continued patronage at the station.

V. CONCLUSION AND RECOMMENDATIONS

The paper concludes that there is no significant relationship between strategic alliance and customer patronage in the petrol stations in South Eastern Nigeria. This is as the correlational relation between strategic alliance and customer patronage is shown to be weak at (r= 0.420), with a P-value of 0.580 at 0.05 level of significance.

The following recommendations are made for policy making and implementation;

1. Petrol stations should collaborate with one another, bringing expertise and competitive advantage in resources, competences and capabilities to bear. They should concentrate on their competitive edge. This will not just save cost for them but provide the customer with services they will ordinarily want to sort in other places. As customer interest is addressed, the firm attracts continued patronage.
2. Petrol filling stations should be innovative and proactive with market dynamics. They must ensure that they keep to

commitments and promises to their customers, as falsehood or disappointments could discourage patronage.

3. Owners or managers of petrol stations should ensure that their staff, especially pump attendants are properly tained on best customer approach. This is to ensure that customers are always respected and treated right. When customers are treated well they tend to return and patronize same business outlet.

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