ST MARY'S UNIVERSITY FACULTY OF BUSINESS DEPARTMENT OF MARKETING MANAGEMENT

AN ASSESMENT OF CUSTOMER SERVICE PRACTICES: THE CASE OF ETHIOPIAN CARGO.

BY BETELHEM TESFAYE

> JUNE 2014 SMU ADDIS ABEBA

AN ASSESMENT OF CUSTOMER SERVICE PRACTICES: THE CASE OF ETHIOPIAN CARGO

A SENIOR ESSAY SUBMITTED TO THE DEPARTMENT OF MARKETING MANAGEMENT

BUSINESS FACULTY

ST. MARY'S UNIVERSITY

IN PRACTICAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF BACHELOR OF ARTS IN MARKETING MANAGEMENT

BY

BETELHEM TESFAYE

JUNE, 2014

SMU

ADDIS ABABA

ST. MARY'S UNIVERSITY

AN ASSESMENT OF CUSTOMER SERVICE PRACTICE: THE CASE OF ETHIOPIAN CARGO

BY

BETELHEM TESFAYE

FACULTY OF BUSINESS DEPARTMENT OF MARKETING MANAGEMENT

APPROVED BY THE COMMITTEE OF EXAMINERS

Department Head	Signature
Advisor	Signature
Internal Examiner	Signature
External Examiner	Signature

ACKNOWLEDGEMENTS

First of all I would like to thank the almighty God for helping me to complete this research paper. Second to that my thanks also forwarded to my advisor Ato Biruk G/Michael for his cooperation and constructive advises throughout the end of this senior thesis. In addition, my deepest gratitude goes to my family and friends for their generous assistance and their endless support. My last but not least appreciation goes to customers, employees and import section manager of the company for giving me all the necessary information to conduct this research. I like to thank them all in the bottom of my heart, without the above parties, this research paper wouldn't be at its existence.

Table of contents

Content	page
Acknowledgments	i
Table of Contents	ii
List of Table and Figures	v
Chapter One	
Introduction	
1.1 Background of the Study	1
1.2 Statement of the Problem	2
1.3 Research Question	2
1.4 Objective of the Study	3
1.4.1 General Objective	3
1.4.2 Specific Objective	3
1.5 Delimitation of the Study	3
1.6 Significance of the Study	4
1.7 Research Design and Methodology	4
1.7.1 Research Design	4
1.7.2 Population and Sampling technique	4
1.7.3 Type of Data Collected	5
1.7.4 Method of Data Collection	5
1.7.5 Method of Data analysis	5
1.8 Limitation of the Study	5
1.9 Organization of the Study	6

Chapter Two

Review of Related Literature

2.1 Definition of Service	7
2.2 Nature and Characteristics of Service	7
2.3 Classification of Services	9
2.4 Quality Service	10
2.4.1 Definition of Quality Service	10
2.4.2 Principle of Quality Service	11
2.4.3 Quality Management	11
2.4.4 Impact of Quality Service on Customer Satisfaction	12
2.4.5 Parameter of Quality Service to Customer Satisfaction	12
2.4.6 The 5 Service Quality Dimensions	13
2.5 Quality Defined as Gap between Perception and Expectation	14
2.6 Causes for Poor Quality in Service	15
2.7 Criteria frequently used to identify Service	15
2.8 Service Process Planning and Equipment Selection	16
2.9 Tasks of Service	17
2.9.1 Managing Differentiation	17
2.9.2 Managing Service Quality	18
2.9.3 Managing Productivity	18
2.10 Customer Service	18
2.11 Marketing Strategy for Service Firm	19

Chapter Three

Data Presentation, Analysis and Interpretation	
3.1 general characteristics of the Respondents	21
3.2 analysis of major findings	23
Chapter Four	
Summary, Conclusion and Recommendation	
4.1 Summary	41
4.2 Conclusion	42
4.3 Recommendations	-43
Reference	Į
Appendixes	

List of Tables and Figures

T	• .		$^{\circ}$	_	1	1
	ist	α	- 1	(A)	n	AC
	71.51				,,,	

Table 1	General Characteristics of Customers	22
Table 2	Customer's Rate on their Most Recent Service	23
Table 3	Customer's Opinion on Quality of Customer Service Representatives	24
Table 4	Rate of Facility Convenience	25
Table 5	Eagerness of Employees	25
Table 6	Customer Opinion on Quickness of Employees	26
Table 7	Waiting Time for Question to be addressed	27
Table 8	Customer Opinion on the Overall Satisfaction	27
Table 9	Customer Opinion on Problem Resolution	28
Table 10	Customer Opinion on Recommendation of the Company to their Friend	29
Table 11	The overall Customer Service Experience	29
Table 12	Customer Opinion on Lose of Baggage	30
Table 13	Compensation Procedure	31
Table 14	General Characteristics of Employees	32
Table 15	Employee's Opinion on the Meaningfulness of their Job	33
Table 16	The level of Challenging on their Job	34
Table 17	The level of stress from their job	35
Table 18	How well they are paid	35
Table 19	The expectation of their Supervisor	36
Table 20	Supervisor Helps to grow professionally	37
Table 21	Opportunity to get promoted	37
Table 22	Employee's opinion on Supervision at work	38
Table 23	Level of Employee's Satisfaction with their Benefits	39
Table 24	Employee's Opinion on Proud of Organizations Brand	39
Table 25	Likely of Leaving Organization	40
List of Fig	ures	
Fig 1	Sarvica Triangla	20

CHAPTER ONE INTRODUCTION

1.1 Background of the Study

Customer service is underpinned by the nusts and bolts of well conceived processes that deliver consistent out come and the physical infrastructure that makes it possible for people to discover and access what you have to offer. Without these service organizations would be chaotic (Lake & Hickey, 2006). Moreover, Johnson et.al (2008) the collection of activities performed in filling orders and keeping customers happy, creating in the customer's mind the Perception of an organization that is easy to do business with. Nevertheless, Guy winch (2011) Customer Service is about creating a relationship of trust and loyalty with customers that transcends the interaction of the moment. Ironically, such bonds are best forged not when things go right but when things go wrong. Therefore complaint management becomes the premier opportunity to prove our care, responsiveness, and trustworthiness to customers.

Ethiopian Airlines was established in 1945 with an initial investment of birr 2.5 million. Since the establishment, the airline has played a great roll in aviation industry connecting Africa to the other continents for this remarkable achievement it has become a member of Star Alliance group in 2011 with more than 55 airplanes. However, out of the seven business units of the aviation Group one is Ethiopian cargo which started its operation in 1946 with the first flight to Nairobi. Starting from early 1970 the freight service has been growing to several countries in Europe, Asia and the Middle East exporting different agricultural products. Currently, due to the strategic location the Ethiopian Cargo has the potential to establish an international hub for perishable products such as flowers, herbs, fruits meats, etc for this reason the company has plan to expand the cargo terminal and the capacity of storage by 125,000 tones and 120 pallet. Currently the company has different storage system like cold rooms with a temperature range of -23 to +11 degree Celsius, Vault/Safe-Room for valuable things, dangerous goods storage, radioactive materials storage, live animals cages.

1.2 Statement of Problem

According to k.Harris (2000) Customer service is everything which is done for the customer that enhances customer experience. Customers have varying ideas of what they expect from customer interactions, no matter how accurately we see our definition—of customer service, still there is a need to live up to what our customers idea of customer services. Its goal is to attain the satisfaction of the customers. Moreover, Watkins (2006) explained that for every person who takes the time & trouble to complain, organizations should give the most appropriate attention and care because there are another ten or twenty customers who are equally dissatisfied but who have not expressed their annoyance for whatever reasons.

Ethiopian airlines is the largest airline in the country and It is cargo handler in the Ethiopia.from the observation made and the preliminary interview made with customers regarding customer service practices it faces many problems. Those problems especially include a lack of reliability and responsivness. Customers are not receiving their goods on time that they have been appointed to pick and they may not get it at all.

In addition, the company has set target of 6 baggagge regarding the number of lost baggage per 1000. Under the present circumstances, it is waymore than expected. As a member of international air transportation association, it also signed the Warso convension which obling the company to compensate customer for their lost baggage 20usd/kg. However, customers have passed through burocratic process to obtain compensation which leads to comparatively greater complain and questioning the company in complain handling procedure. Because of the above reasons the student researcher becomes interested to conduct a research on assessment of the practice of customer service of Ethiopian cargo.

1.3 Research Questions

After the study has been completed the student research answered the following questions

- What are the problems that are faced by customer of Ethiopian Cargo in relation to its customer service?
- What type of customer service do customers expect from the company?
- > To what extent Ethiopian Cargo is effective in managing customer complain?

> To what extent customers are satisfied with service delivery of Ethiopian cargo?

1.4 Objectives of the Study

1.4.1 General Objective

The general objective of the research paper is to assess customer service practice of Ethiopian Cargo.

1.4.2 Specific Objectives

The following are the specific objective of the study

- > To identify the problems faced by customer of Ethiopia.
- > To indicate the gap between customer expectation and actual performace of the company.
- > To point out the complain handiling mechanisims.
- > To indicate the level of customer satisfaction.

1.5 Delimitation of the Study

Subject

This study focused mainly on customer service and the study address only the import section of Ethiopian Cargo.

Population

The study addressed company employees, import section manager and final customers who have been served more than twice to get sufficient data.

Area

Since the customers of Ethiopian Cargo scattered all over the country and it is difficult to reach them, the researcher was delimate in the compound of ethiopian cargo.

Time

The research study time limit was from 2011-2013.the reason was that the current strategy the company followed is started in 2011.

1.6 Significance of the Study

This study would serve as a base for detailed and further study for other researcher who is interested to make on customer service. This paper will provide information to the company as part of an input in further investigation in the subject matter and it develops my knowledge regarding customer service as a student.

1.7 Research Design and Methodology

1.7.1 Research Design

The researcher used discriptive research design followed by qualitative and quantitative approach. Descriptive research design is used in describing and determining the frequency with which an event could occur.

1.7.2 Population and Sampling Techniques

In this study final customer and employees of Ethiopian cargo were considerd as population of the research study. Concerning customer non probablity sampling technique was used for the reason that exact number and list of there customer is not available, specifically judgmental and convenience sampling technique This help to choose samples based on customer conveniences in terms of time and space. According to the recommendation of malhotra (2006) a total number of 200 customers were taken as a reliable sample size. Regarding employees the student researcher used stratified sampling technique in order to proportional representation of total population after that for selection process simple random sampling was used where in each population element is assigned a number and the desired sample is determined by generating random number appropriate for the relevant sample size. From the total population of 290 employee of the company 30% or 87 employees and 1 import section manager were selected.

Position	No. of Employees	No. of sample
Frontline	180	54
Loader	110	33
Total	290	87

1.7.3 Types of Data Collected

The student researcher used both primary and secondary data.the primary data were collected from customers, employees and manager of the company. The secondary data was obtained from company documents and relevant books.

1.7.4 Methods of Data Collection

For the primary data collection purpose the student researcher used questioner and interview.and the secondary data were collected from companys document and different books.

1.7.5 Methods of Data Analysis

The data that was obtained from close ended questions was analyzed using frequency percentage and was placed in tables. Responses that were obtained from open ended questions and interview were narrated and are used to support the analysis analyzed qualitativly.

1.8 Limitation of the study

While conducting the research study there were some factors that hindered the study not to be carried out as it was expected from which; questionnaires were not fully returned for analysis, company manager and employees didn't give sufficient answer for the study.

1.9 Organization of the Study

The study is organized in four chapter.the first chapter includes background of the study, statement of the problem, research question, objective of the study, significance of the study, scope of the study, research design and methodology, limitation of the study and organization of the study. In the second chapter literature review is viewed. Further the third chapter deals with presentation, analysis and interpretation of data. The fourth chapter includes summary, conclusion and recommendation of the research. Finally the biblography and appendixes is attached with the research paper.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 Definition of Services

According to Murdick (1990), "Services can be defined as economic activates that provide time, place, form, or psychological utilities". Many service firms have become successful by identifying a previously unrecognized or unsatisfied customer wants.

According to Kotler (1996) "service are growing even faster in the world economy, marketing up a quarter of the value of all intention trade." Service job include Hotels, Airlines, Banks, Telecommunication and others

2.2 Nature and Characteristics of Services

According to Kotler (1996) services have four major Characteristics

2.2.1 Intangibility

Services are intangible unlined physical products; they cannot be seen, tasted, felt heard or smelled before they are bought.

2.2.2 Inseparability

Services are typically produced and consumed simultaneously. This is not true of physical goods that are manufactured, put into inventory, distributed through multiple resellers, and consumed still later. For instance, the cashier in the bank is an inseparable part of the service offering. The client also participated to some extent in the service, and affects the outcome of the service. Both the producer and the client affect the services outcome.

2.2.3 Variability

Service are highly variable, since they depend on who provides them and when and where they are provided, Service buyers are aware of this high variability and frequently talk to others before selecting a service provider. Service firms fan take several steps on help mange service variability.

provide employee incentives that emphasize quality

- ➤ The second step is standardizing the services performance process thorough out the organization. This is helped by preparing a service blue print which depicts the services events and process in a flow chart, with the objectives of recognizing potential service fail points.
- > The third step is monitoring customer satisfaction though suggestion and compliant systems, customer's surveys, and comparison-shopping so that poor service can be detected and corrected.

2.2.4 Perishablity

Service cannot be stored. Because of this service firms have difficult problems when services fluctuate. Service firms use several strategies for producing a better match between demand and supply in a service business.

- On the demand side
 - > Deferential pricing will shift some demand form peak to off-peak periods
 - Non peak demand can be cultivated
 - Complementary services can be developed during peak time to provide alternatives to waiting customers
 - Reservation systems are a way to manage the demand level.

• On the supply side

- ➤ Par time employee can be hired to serve peak demand Peak time efficiency routines can be introduced. Employee performing essential tasks during the peak periods
- > Increased consumer participation in the testes can be encouraged
- Shred services can be developed
- > Facilities for future expansion can be developed.

2.3 Classification of Services

According to Palmer (1994) services can be classified according to the following ten points;

2.3.1 Marketable vs. Unmarketable Services

The first classification distinguishes between services that are freely traded on those considered by the social and economic environment of the time to be more appropriately distributed by non-market based machines. For the latter group, many government services are provided for the public benefit, but no attempts made to charge users of the service.

2.3.2 Producers vs. Consumers Service

Consumer services are provided for individuals who use up the service for their own enjoyment or benefit. On the other hand, producer services are those provide to a business in order that the business can produce something else of economic benefit.

2.3.3 Status of the service in the Product Offering

Services can be classified according to the role of the services in that total quality offering. Three principal roles can be identified. A pure service exists when there is little if any evidence of tangible goods. A second group of services exist in order to add value to a tangible product. A third group of services may add value to a product more fundamentally by making it available in the first phase.

2.3.4 Tangible vs. Intangible Services

The level of tangibility present in a service offer derives from four principal sources.

- Tangible goods that are included in the service offer and consumed by the customer.
- The physical environment in which the service production/consumption process takes place.
- Equipment used in the service production process
- Tangible evidence of services performance.

2.3.5 Extent of customer Involvement

Some services can be provided only with the complete involvement of customers, whereas others require them to do little more than initiate the service process.

2.3.6 Degree of Variability

Two dimension of variability can be used to classify services: The extent to which production standards vary from a norm, in terms both of outcomes and the production process. The extent to which a service can be deliberate varied to meet the specific needs of individual customers.

2.3.7 Pattern of service Delivery

Whether the service is supplied on a continuous basis or supplied casually or within an ongoing relation between buyer and seller.

2.3.8 Pattern on demand

Services can be classified according to the temporal pattern of demand they face. Very few services face a constant paten though time.

2.3.9 People-Based vs. Equipment-Based Services

Some services involve vary labor-intensive production methods. At the other extreme.

2.3.10 Significance of the service to the Purchaser

Some services are purchased frequently, are of low value, are consumed vary rapidly by the recipient, and are likely to be purchased on impulse with very little per-purchase activity.

2.4 Quality Service

2.4.1 Definition of Quality service

According to Murdick (1990), "quality is the degree to which the bundle of services attributes as a whole satisfied the user". The definition comprises (1) the degree to which attributes of the service desired by the udders are identified and incorporated in the service, and (2) the degree to which desired levels or these attributes are perceived by the user to be achieved.

A customer who buys the product or experiences the service has certain needs and expectations in mind. According to berry (1991), "if the service or product meets or exceeds those expectations time and time again, then, in the mind of that customer, it is a quality product or a quality service". Berry (1991), further states that quality relates to customers' perception. Customer compare the actual performance of the total service experience to their own set of expectations and reach a judgment that is rarely neutral.

2.4.2 Principles of Quality Service

According to Denton (1998), "top service companies are able to effectively deliver service because they apply the basic principles' of quality services" Some of these principles mention by Denton are discussed below.

- Develop a Strategic Niche Strategy is finding and developing the unique service that enables a business to "get a leg up" on the competition. It involves a business's particular service attributes and perspective, which the customer appreciates and well support with patronage.
- > Top management must demonstrate support. Here, one of the key issues is management commitment. It takes deeds and action to prove managements' commitment to quality. Understand, respect, and monitor the customer. Perhaps the best single way to develop an effective service strategy is to simply listen to customers.

2.4.3 Quality Management

According to Kotler (1996), "customer satisfaction is closely related to quality". In recent years, many companies have adopted total quality management—programs, designed to constantly improve quality of their products performance, and hence on customer satisfaction. The customer focused definition suggests that a company has achieved total quality only when its products or services meet or exceed customer expectations. Thus, the fundamental aim of today's total quality movement has become total customer satisfaction. Quality begins with customer needs and ends with customer satisfaction. According to Palmer (1995) the level of quality to which a service is designed is a crucial element in the total service offer.

Berry stated that (1991) "quality improvement process is a systematic method of developing products and services and providing customer service after sale based on a though understanding of customer's needs and reasonable expectations". It involves employee at all levels in the assessment and improvement of quality. Listening to customer and examining the company's operational methods help to find that improvements are needed.

2.4.4 Impact of Quality Service on Customer Satisfaction

According to Denton (1998), some of the benefits achieved by providing quality services are

- Increased customer retention
- Reduced customer complaints and warranty claim
- Improved the company profitability
- Reduced cost, and
- Increased ability to attract new customer.

Murdick stated (1990) that, the reason for emergence and tolerance of poor quality service are as follows

A customer typically expects loss of services and does not demand more. They typically consumes the services as it is produced, no time to test the service quality, correct mistakes, or network or recall the service

There is more chance of making errors because of variability inherent in services provided to a number of differently customers.

Frontline employees fail to deliver the service that management has specified. The organization, though advertisements or sales presentation, over promises customers or that service providers are unable to deliver quality service to its customers. Poor service reflects a mutual shortcoming that customers blame a company when served poorly. Customers see service problems when there is a gap or discrepancy. Denton (1998)

2.4.5 Parameter of quality service to customer Satisfaction

According to Murdick (1990), "if we can measure the customer's perception of a service relative to a set of characteristics important to him or her, we may uncover ways to improve the quality of service as a whole". It is found that customer access service quality interims of:

- Reliability: It involves consistency of performance and dependability.
- Responsiveness. It is willingness or readiness of employee to provide service.
- Competence. Possession of the requ4rd skill and knowledge to perform the service
- Access. It involves approachability and ease of contact

- Courtesy: It involves politeness, respect and friendliness of contact personnel by considering the customer's interest.
- Communication: Keeping customers informed and listening to him.
- Credibility: It involves having the customer's best interest at heart.

Understanding/ Knowing the customer: This is simply is making effort to understand the customer's need.

2.4.6 The 5 Service Quality Dimensions

According to Zeithamel (2010) every company owner wants to get loyal customers which add to repeating purchases and of cause increasing their maximum revenue. But to get there they need to know about the 5 Service Quality Each of the 5 Service Quality Dimensions makes an extra addition to the level and quality of service which the company offers their customers. It also makes the service far more unique and satisfying.

1. Tangibility

The tangible Service Quality Dimension refers to the appearance of the physical surroundings and facilities, equipment, personnel and the way of communication. In other words, the tangible dimension is about creating first hand impressions. A company should want all their customers to get a unique positive and never forgetting first hand impression, this would make them more likely to return in the future.

2. Reliability

The reliability Service Quality Dimension refers to how the company are performing and completing their promised service, quality and accuracy within the given set requirements between the company and the customer. Reliability is just as important as a goof first hand impression, because every customer want to know if their supplier is reliable and fulfill the set requirements with satisfaction.

3. Responsiveness

The responsiveness Service Quality Dimension refers to the willingness of the company to help its customers in providing them with a good, quality and fast service. This is also a very important dimension, because every customer feels more valued if they get the best possible quality in the service.

4. Assurance

The assurance Service Quality Dimension refers to the company's employees. Are the employees skilled workers which are able to gain the trust and confidence of the customers? If the customers are not comfortable with the employees, there are a rather large chance that the customers will not return to do further business with the company.

5. Empathy

The empathy Service Quality Dimension refers to how the company cares and gives individualized attention to their customers, to make the customers feeling extra valued and special. The fifth dimension are actually combining the second, third and fourth dimension to a higher level, even though the really cannot be compared as individuals. If the customers feel they get individualized and quality attention there is a very big chance that they will return to the company and do business there again.

2.5 Quality defined as gaps between perceptions and expectation

Murdick, (1990) stated in his book the gap between perception and expectation in following ways.

- **Gap 1: Consumer expectation** Service managers do not always understand what feature of service can note high quality to the consumer.
- Gap 2: Management perception service quality specification gap Management does always include in service specification all the quality attributes it perceives consumers want. This is at the same time due to lack of sufficient resources or unreasonableness of consumer expectations.
- **Gap3: Service quality specification service delivery gap** Even when appropriate quality guidelines
- **Gap 4: Service delivery- external communication gap** Media advertising and other communication by firm can affect customer expectations. The key to ensure good service quality is meeting or exceeding customer satisfaction.

• Gap 5: Expected service- perceived gap the key to ensure good service quality is meeting or exceeding customer satisfaction.

2.6 Causes of poor quality in service

- Labor shortages have fueled the trend towards self-service and automation.
- Service workers are often viewed as short term and service work as 'servitude'; consequently, service labor is typically under trained and overworked.
- The emphasis on increasing efficiency and productivity of service has taken its tool of quality.
- Customers typically expect less of service and do not demand more.
- There is more chance of making errors because of the variability inherent in service provided to a number of different customers, by the number of different people, in number of geographically disperse location.
- The customers typically consume the service as it is produced, leaving no time to test the service quality, correct mistake and rework or recall the service.
- The nature of service of service does not tend itself to quality control. Service produces intangibles. The qualities of intangibles are rated by opinion, perceptions, and expectation. (Murdick, 1990)

2.7 Criteria frequently used to identify service

According to Synder (1993), services are identified through the following characteristics:

- Services produce intangible output.
- Services produce variable, nonstandard output.
- A service is perishable i.e. it cannot be carried in inventory, but is consumed in production.
- There is high customer contact throughout the service process.
- The customer participates in the process of providing a service.
- Skills are sold directly to the customer.
- Service connote be mass- produced.
- High personal judgment is employed by the individual performing the service.
- Service firms are labor- intensive.
- Decentralized facilities are located near the customer.

- Quality control is primarily limited to process control.
- Pricing options are more elaborate.

The above criteria are just listed to emphasize the scope of unique problems the manager of service operation encounters.

Labor intensiveness

The question of labor intensiveness versus capital intensiveness for service firms has important implications. Capital intensiveness offers a promise of continued increases in productivity and provides the cost of equipment can be kept in line. Although people tend to view services as inherently labor intensive, it is always the case that some are or some aren't.

Decentralized facilities near to the customer

It is commonly stated that service should be located physically near to the customers and manufacturing plant should be located near raw materials and suppliers. This has resulted in a Proliferation of small, decentralized customer service region and large for services that involve physical contact with the customer. The high traffic of potential customer makes adjacent location important (murdick, 1990)

2.8 Service process planning and equipment selection

The service process refers to how a service is provided or delivered to the customer. Service systems use various resources, including material, equipment and people, to facilitate the service process. Therefore, service process planning must consider the selection of conversion process, material, equipment and skills. Specifically strategic decisions must be made in respect to:

- Primary technological decisions
 - The primary technology decisions involve answering the following questions. Is the technology available, or can it be developed, to provide the material, Process and equipment to make the product or deliver the service?
- Material and conversion process
 - Efficiency is achieved when the conversion process is specialized, i.e. when each person or machine supplying a service is dedicated to providing that specific service. Effectiveness, however, is achieved by flexibility in the conversion process. In other words, service providers should provide the broadest range of service they can.
- Specific equipment decisions

The selection of specific equipment is not a decision to be made at the lowest level of management. Important questions to address when selecting equipment include:

- Will this equipment is useful in producing both present and anticipated products and service over the next few years?
- Does this selection match the strategy of utilizing equipment for lowering short term operating costs?
- Is this equipment compatible with material selection and suitable for trade off between capital intensity and labor intensity?
- Process flow for conversion.
- Skill and job content.
- Site location and selection.
- Building and facilities.
- Facility layout and work flow
- Organization structure and socio psychological factor (Murdick, 1990).

2.9 Tasks of Service

It is strongly believed that the well run logistics system can improve the service a firm provides to its customer. According to Kotler (1996) service companies face three tasks. This are increasing their competitive differentiation, add their productivity.

2.9.1 Managing Differentiation

Services companies can differentiate its service delivery in three ways, namely though people, though physical environment, and though process (the 3 Ps of service marketing).

- People: a service company can distinguish itself by having more able and reliable customer contact people than its competitions
- Physical Environment: a service company can develop a more attractive physical environment in which the service is delivered
- Process: a service company can design a superior delivery process.

2.9.2 Managing Services Quality

One of the major ways to differentiate a service firm to deliver consistently higher quality service then competitors does. The key is to meet or exceed the target customers' service quality expectation. Their expectation are formed by their past experience, word of mouth, and service firm advertising.

The customers, after receiving the service, they compute the perceived service with the expected service. If the perceived service falls below the expected devices customers lose interest in the providers. If the Perceived service meets or exceeds their expectations they are apt to use the provider again.

2.9.3 Managing Productivity

Service firms are under great pressure to increase productivity. Since service businesses are highly labor intensive, costs have been rising rapidly. Kotler listed six approaches to improving service productivity.

- The service provider train current employed better or they hire now one who will work harder or more skillful.
- The service provider can increase the quality of their service by giving up some quality
 The provider can "industrialize the service" by adding equipment and standardizing production
- They can increase productivity by designing more effective services.
- Providers also can give customers incentive to substitute company labor with their own labor.

2.10 Customer service

one of the most effective and least expensive way to market a business is through excellent customer service. Customers are an obvious requirement for doing business. The importance of customer service is at an all-time high. business relize that providing a product or service alone is not enough in today's competitive economic environment. (k.Harris 2000)

acording to k.Harris (2000) every customer comes in to the customer situation with differing want. While wants are frequently hard to identify and may occasionally be unrealistic.all customers have five basic need.

1.service:- customers expect the service they consider is approprate for the level of purchase that they are making, spontaneous purchase may have a smaller service need than a larger purchase that has been carefully planned and researched.

- 2. price: the cost of every thing we purchase is becoming more and more important people and business want to use their financial resources as efficiently as possible. Many products previously considerd unique offering are now considerd commudities.
- 3. quality :- customers want the product that they purchase to be durable and functional until the customer decides to replace them. This requirement of quality mandates that manufacturers and distributers produce products that live up to the customers expectation of durability.
- 4. action :- customer need action when a problem or question arise.
- 5. appreciation :- customer need to know that we appreciate their business.customer service provides can convey this appreciation in many appropriate way.

2.11 Marketing Strategy for Service Firms

Until recently, service firms lagged behind manufacturing films in their use of marketing. According to Kotler (1996) service businesses were small and often consider marketing unneeded or too costly. Other service suns once had some much demand that they did not need marketing until recently. Still others belied that it was unprofessional to sue marketing. However, because services differ from tangible products, they often required additional marketing approaches. In a product business the customers and of online service employee interact to crate those services. Effective interaction, in retune, depends on the skills of frontline service employee an on the service production and support processes backing these employees. Thus, successful service companies for their attraction on both their employees and customers.

They understand the service profit chain, which links service firm profits with employee and customer satisfaction. This chain consists of face links

- Healthy service profits and growth resulted from superior services firm performance.
- Greater service value gives more effective n efficient customer value creation and service delivery.
- Satisfied and productive service employees become more satisfied, loyal, and hard working employees.
- Internal service quality-superior employees-more training, a quality work environment,
 and strong support for those dealing with customers
- Satisfied customers remain loyal, repeat purchase, and refer other customers.

Therefore, reaching service profits and growth goals begins with talking care of those who take care of customers. Service marketing requires more than traditional external marketing using the 4Ps. Thus, the services outcome is influenced by a host of variable elements.

<u>External Marketing</u>: describes the normal work done by the company prepared, price, distribute, and promote the service to customer.

<u>Internal marketing</u>: describe that service firm must defectively train and motivate its customer contact employee and all the supporting service people to work as a team to provide customer satisfaction. It is important that everybody should practice a customer orientation to deliver consistency high service quality.

<u>Interactive marketing</u>: means that perceived service quality rests heavy on the quality of the buyer-seller interaction during the service encounter. In service marketing, service quality rest on both the service deliver and the quality of the delivery, especially in professional service.

Service triangle

Employees

Interactive Marketing

Customer

CHAPTER THREE

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This part of the research paper deals with presentation, analysis and interpretation of the collected data through questionnaire and interviews.

Questionnaires were distributed to customers of Ethiopian cargo that found in the compound of the company. For the customers Out of 200 copies of questionnaires distributed 186 (93%) has been field out thoroughly and returned. For employee out of 87 copies of questionnaires distributed 83(95%) has been field out thoroughly and returned.

Interview was conducted with the company's import section manager. The data which was gathered through closed ended questions, was analyzed and presented in tables, and the data which was gathered through open ended questions and interviews was narrated to support the findings.

3.1 General Characteristics of Customers

Table 1 below shows the general characteristics of respondents which include their sex, age, education and occupation.

Table 1 General Characteristics

Item Number	Item	Description	No. of Respondents	Percentage (%)
		Male	102	55
1.	Sex	Female	84	45
		total	186	100
			-	-
2.		15-20	98	53
	Age	21-26	45	24
		27-32	36	19
		33-38	7	4
		Above 39	186	100
		Total		
		10/12 Complete	75	40
3.	Educational	Certificate	27	15
	Background	Diploma	33	18
		Degree	51	27
		Masters	-	-
		Total	186	100
		Student	24	13
4.		Merchant	90	48
	Occupation	Employed	72	39
		Retired	-	-
		Other	-	-
		Total	186	100
		2-3	114	61
5.	Number of times use	4-5	37	20
	company's service	Above 6	35	19
	Tota	al	186	100

As it illustrated in the above table 1 in item number 1, among 186 respondents 102 (55%) of them were male and the rest of them were females .this implies that more than half of companies customer are male.

Item number 2 which is in the same table the age of sample respondents explained as follows. 98 (53%) of the respondents lay in the age of 21-26 this indicate that more than half of the company's customer are youngster s, and 45 (24%) of respondents are between the age of 27-32, the rest 43 (23%) of the respondents are above the age of 33.in general the respondents are capable of filling the questionnaire without any interference.

Regarding the educational back ground from the total of 186 respondents 75 (40%) have completed 10th and 12th grade, 27 (15%) have certificate, 33(18%) have diploma and 51 (27%) are first degree holder. This implies that more than half of respondents are expected to have some understanding of what they are serving or intended to serve from the company.

Coming to the occupation of the respondents out of 186, 90 (48%) are merchants, 72 (39%) are employees either in government or private institutions, and 24 (13%) are students. This shows that majority of the respondents have enough money to get service at the company or have purchasing power.

The last item of the table which shows how many times the respondent uses company's service, 114 (61%) were using service 2-3 times 37 (20%) were using service 4-5 times and 35 (19%)were using for more than 6 times. From this one can infer that most of them have enough experience with the company and they can give enough information about the company's product.

3.2 Analysis of Major Findings

Table 2 Customer's Rate on their Most Recent Service

Item No.	Item	Scale	No of	Percentage
			Respondents	(%/)
		Very good	15	8
1.	How do you evaluate your	Good	10	5
	most recent customer service experience with	Neutral	30	16
	Ethiopian cargo	Poor	63	34
		Very poor	68	37
		Total	186	100

Out of 186 asked about customer service experience 15 (8%) of respondents said very good, 10 (5%) of respondent said good,30(16 %) of them have no opinion, 63 (34%) of them are said poor and 68 (37%) said very poor. This implies that many of the customers are not satisfied with their most recent experience. Satisfied customers remain loyal, repeat purchase, and refer other customers. (Kotler, 1996)

Table 3 Customer's Opinion on Quality of Customer Representatives

Item No.	Item	Scale	No of	Percentage (%)
			Respondents	
		Very good	29	15
2.	How do you rate quality of	good	27	14.5
	the customer service	Neutral	22	12
	representatives	Poor	69	37
		Very poor	39	21
		Total	186	100

The quality of the customer service representatives rated by customer as shown 29 (15) % of respondent are said very good, 27 (14.5%) of them said good, 22 (12%) of them have no opinion, 69 (37%) of respondents said poor and 39 (21%) said the representatives have very poor quality. From the above data it's clearly seen that the quality of the customer service representatives is not satisfactory.

As kotler (1996) explained the service provider can increase the quality of their service by giving up some quality.

Table 4 Rate of Facility Convenience

Item No.	Item	Scale	No of Respondents	Percentage (%)
		Very good	22	12
3.	How do you rate the facility of the company regarding to	Good	34	18
	convenience	Neutral	40	21.5
		Poor	48	26
		Very poor	42	22.5
		Total	186	100

The above table 4 shows that out of 186 respondents 22 (12%) of them answered that they found the facility convenience very good, 34 (18%) of them said good, 40 (21.5%) of them have no opinion, 48 (26%) of them answered that they found the facility convenience poor and the rest 42 (22.5%) of them said they found it very poor. Therefore most of the respondents stated that the company is poor in regards to convenience and need to work in improving the convenience.

Table 5 Eagerness of Employees

Item No.	Item	Scale	No of Respondents	Percentage (%)
		Very good	20	11
4.	How do you rate the	Good	24	13
	eagerness of the employees	Neutral	35	19
	of the company to help you	Poor	50	27
		Very Poor	57	30
		Total	186	100

The above table 5 shows that out of 186 respondent 20 (11%) of them answered that company's employee eagerness very good, 24 (13%) of them answered good, 35 (19%) of them have no opinion, 50

(27%) of them said poor and the rest 57 (30%) of them said very poor. This implies that employees are not empathetic to customer which might arise because of lack of training and motivational factor in return this affect the quality of service they provide. The marketing manager said there is a standard of procedure for customer service agents and every employee should follow it .the procedure include motivation of employee, politeness etc. If the customers are not comfortable with the employees, there are a rather large chance that the customers will not return to do further business with the company. (zeithamel, 2010)

Table 6 Customer Opinion on Quickness of Employees

Item No.	Item	Scale	No of	Percentage (%)
			Respondents	
		Very good	18	10
		Good	23	12
5.	Would you please rate the			
	quickness of the employees	Neutral	31	17
	of the company to help you	Poor	61	33
		Very poor	53	28
		Total	186	100

Regarding the quickness of the employee of the company out of 186 respondents 18 (10%) of them answered very good, 23 (12%) of them answered good, 31 (17%) of them have no opinion, 61 (33%) of them answered poor and 53 (28%) of them said very poor. This implies that large part of responders said that employees of the company are not ready to help customers. This results in dissatisfaction of customers. Some of the customer suggests that they have to make their customer service in quicker way and they have to be respect full for the customers. As zeithamel (2010) stated that the responsiveness service quality dimension refers to the willingness of the company to help its customer in providing them with a good, quality and fast service.

Table 7 waiting Time for Question to be Addressed

Item No.	Item	Scale	No of	Percentage (%)
			Respondents	
		Very high	67	36
6.	The waiting time for having your question	High	48	26
	addressed was	Neutral	27	14
		Low	24	13
		Very low	20	11
		Total	186	100

As it is presented in the above table 7 out of 186 respondent67 (36 %) Of them said the waiting time was very high, 48 (26%) of them said high,27 (14%) of them have no opinion, 24 (13%) of them said low and the rest20 (11%) said very low. One can understand from the above data that it took long time for their questions to be addressed.

Table 8 Customer Opinion on the Overall Satisfaction

Item No.	Item	Scale	No. of Respondents	Percentage (%)
		Very High	11	6
7.	How do you rate the overall satisfaction with the company	High	9	5
		Neutral	32	17
	Low	69	37	
		Very Low	65	35
		Total	186	100

The above table 8 show that out of 186 respondents 11 (6%) of them answered that their level of satisfaction by the service they got was very high, 9 (5%) of them answered they got high satisfaction, 32 (17%) of them have no opinion,69 (37%) of them answered that their satisfaction level was low and 65 (35%) of them answered they got very low satisfaction. For that reason it is clearly seen that the

overall satisfaction of customers is very low and most of their customers suggested that the company's have to improve and give on time service. The fundamental aim of today's total quality movement has become total customer satisfaction. Quality begins with customer needs and ends with customer satisfaction. (kotler, 1996)

Table 9 Customer's Opinion on Problem Resolution

Item No.	Item	Scale	No. of Respondents	Percentage (%)
		Very High	11	6
8.	How do you rate the process of problem	High	23	12
		Neutral	33	18
	solution	Low	72	39
		Very Low	47	25
		Total	186	100

From the total of 186 responses on the bases of problem resolution process 11 (6%) of respondents said very high, 23 (12%) of respondents said high, 33 (18%) of them have no opinion, 72 (39%) of respondents said low and 47 (25%) of respondents said very low. Therefore the customers could not get solution for their problem on time and they will dissatisfy. Customers suggest that the company has to facilitate quicker problem solving method. Kotler (1996) explain that monitoring customer satisfaction through suggestion and complaint system, customer's surveys, and comparison —shopping so that poor service can be detected and corrected.

Table 10 Opinion on Recommendation of the Company to their Friend

Item No.	Item	Scale	No. of Respondents	Percentage (%)
		Very High	16	9
9.	How likely is it that you	High	18	10
	would recommend the	Neutral	40	21
		Low	69	37
	(colleague)	Very Low	43	23
		Total	186	100

The above table 10 shows that out of 186 respondents 16 (9%) of them answered that there chance of recommending the company for their friend is very high, 18 (10%) of them answered high, 40 (21%) of them have no opinion, 69 (37%) of them answered very low and 43 (23%) of them answered very low. From this data it is clear that majority of customers don't trust company's service and they may recommend bad thing about company or by using word of mouth they can lose potential customers.

Word of mouth plays in the mix of information source consumer relay on and trusts as they make everyday decisions. Among the resource customer trust additional media channel such as TV, radio and magazines trail behind word of mouth. (cakim 2010)

Table 11 Opinion on the overall Customer Service Experience

Item No.	Item	Scale	No. of	Percentage (%)
			Respondents	
10.	How was your experience	Better than you expected	48	26
	with customers service at the company	Less than you expected	138	74
		Total	186	100

Regarding customer experience with company's customer service out of 186 respondents 48 (26%) of them said better than they expected and 138 (74%) of them said less than they expected. From this we

can understand that customers of Ethiopia cargo get service that is not match with their expectation this make the customer dissatisfied and search for other company that satisfies their want.

The manager of import section of Ethiopia cargo said, they give service that meet customer expectation and gives training for employees to make customer happy. This implies that there is a huge gap between customer want and company understanding.

As berry (1994) stated that quality relates to customers perception. Customers compare the actual performance of the total service experience to their own set of expectations and reach a judgment that is rarely neutral.

Table 12 Customer opinion on lose of baggage

Item No.	Item	Scale	No. Of	Percentage (%)
			Respondents	
		Yes	80	43
11.	Have you lost your baggage			
	before	No	56	30
		I don't remember	50	26.8
		Total	186	100
		10001	100	100

The above table 12 shows that out of 186 respondents 80 (43%) of them answered that they have lost their shipment, 50 (26.8%) of them answered that they don't remember and 56 (30%) of them answered that they never lost their shipment. This indicate that majority of Ethiopia cargo customers lost their baggage and this leads the company lose their loyalty for their customer. Reliability is just as important as a good first hand impression, because every customer wants to know if their supplier is reliable and fulfill the set requirements with satisfaction.(zeithamel,2010)

Table 13 Customer's compensation procedure

Item No.	Item	Scale	No. Of	Percentage (%)
			Respondents	
		Very good	-	-
12.	If your answer is yes for	Good	-	-
	question number 11 rate	Medium	10	12.5
	the compensation procedure			
		Bad	39	48.7
		Very bad	31	38.7
		Total	80	100

Of the respondent of 80, 10 (12%) of them said medium, 39 (48.7%) of the respondent answered bad and 31 (38.7%) of the respondents answered very badly. This implies that customer do not get compensated well. The company import section manager also said they give off job and on job training every quarter for their complain handling agent. This show that company's think they are well trained to handle customers complain but they are not give enough service.

3.3 General characteristics employee's

Table 14 General characteristics

Item No.	Item	Description	No. OF Respondents	Percentage (%)
		Male	52	63
1.	sex	Female	31	37
		Total	83	100
		16-25	29	35
		26-35	43	52
2.	age	36-45	11	13
		46-55	-	-
		Above 55	-	-
		Total	83	100
		10/12 completed	23	28
		certificate	18	21
3.	Educational background	diploma	3	4
	Dackground	1 st Degree	32	38
		Master and above	7	8
		Total	83	100
		Front line	50	60
4.	Position in the company	Loader	33	40
		Total	83	100

As it sown in the above table 14 in item number 1 out of 83 respondents 52 (63%) of employees were male and the rest 31 (37%) of them were female. This indicates that companies have more male employees than female.

In item number 2 of the table the age of sample respondent explain as follows. From the total number of 83 respondents 29 (35%) of them are between the age of 16-25, and 43 (52%) of them between the age 26-35, the rest 11 (13%) of the respondent were between the age 36-45. This implies that more than 50% of the employee matured enough to give relevant response.

In item number 3 the educational background of respondent explained that, out of 83 respondents 23 (28%) have competed 10th and 12th grade, 18 (21%) have certificate, 3 (4%) have diploma, 32 (38%) are first degree holders, and the rest 7 (8%) have masters and above. This shows that majority of the respondent were well educated and can give reliable information.

The last item of the table which shows position in the company, of the total number 83 respondent 50 (60%) of them are front line and 33 (40%) of them are loader. This implies that all respondent have position that provides important information to the study.

3.4 Analysis of major findings

Table 15 Employee's Opinion the Meaningfulness of their Job

Item No.	Item	Scale	No. of Respondents	Percentage (%)
		Extremely meaningful	7	8
		Very meaningful	6	7
1.	How meaningful is your work	Moderately meaningful	21	25
		Slightly meaningful	19	23
		Not at all meaningful	30	36
		Total	83	100

The above table 15 shows that Out of 83 respondents 7 (8%) of them answered that their job is extremely meaningful, 6 (7%) of them answered that their job is very meaningful and 21 (25%) of them answered that their job is moderately meaningful, 19 (23%) of them said their job is slightly meaningful and the rest 30 (36%) said not at all meaningful. This indicates that more number of respondents is not satisfied with their job since it is meaningless to them.

Table 16 The Level of Challenging on their Job

Item No.	Item	Scale	No. of Respondents	Percentage (%)
		Extremely challenging	22	26
2.	How challenging is your job	Very challenging	34	41
		Moderately challenging	15	18
		Slightly challenging	12	14
		Not at all challenging	-	-
		Total	83	100

Out of the total number of 83 respondent 22 (26%) of them said their job is extremely challenging, 34 (41%) of them said very challenging, 15 (18%) of them said moderately challenging and 12 (14%) of them said slightly challenging. This means that their work is very challenging. By nature a job should be challenging but because the work is much challenging the employees might get tired and they can't come up with new idea.

Table 17 The Level of Stress From their Job

Item No.	Item	Scale	No. of Respondents	Percentage (%)
		Extremely frequently	13	16
3.	How often do you stressed at work	Very frequently	23	27
	at work	Moderately frequently	38	46
		Slightly frequently	9	11
		Not at all frequently	-	-
		Total	83	100

As it presented in the above table 17, 13 (16%) of respondents said that they are extremely frequently stressed at work, 23 (27%) of them said they are very frequently stressed, 38 (46%) of them said moderately frequently stressed and the rest 9 (11%) of them said slightly frequently stressed. This implies that the entire respondent stressed at work this may create careless employee for their customers.

Table 18 How well they are Paid

Item No.	Item	Scale	No. OF Respondents	Percentage (%)
		Extremely well	-	-
		Very well	6	7
4.	How well are you paid for the work you do	Moderately well	31	37
	the work you do	Slightly well	43	52
		Not at all well	3	4
		Total	83	100

From the total of 83 responses on the bases of how well their salary is, 6 (7%) of them are well paid, 31 (37%) of them are moderately well paid, 43 (52%) of them are slightly well paid and the rest 3 (4%) of them are not at all well paid. This shows that more than half of respondents are not well paid and they are not happy with their payment. Satisfied and productive service employees become more satisfied, loyal, and hard working employees. (kotler, 1996)

Table 19 The Expectation of their Supervisor

Item No.	Item	Scale	No. of	Percentage
			Respondents	(%)
		Extremely realistic	11	13
5.	How realistic are the	Very realistic	17	21
	expectations of your supervisor	Moderately realistic	37	45
	'	Slightly realistic	16	19
		Not at all realistic	2	2
		Total	83	100

The above table 19 shows that out of 83% respondents, 11 (13%) of them said that their supervisor's expectation is extremely realistic, 17 (21%) of them said that their supervisor's expectation is very realistic, 37 (45%) of respondent said that their supervisor's expectation is moderately realistic, 16 (19%) of them said that their supervisor's expectation is slightly realistic and the rest 2 (2%) of them said that their supervisors expectation is not at all realistic. These indicate that the supervisor expectation is more realistic toward the employee's performance.

Table 20 Supervisors Help to grow Professionally

Item No.	Item	Scale	No. of Respondents	Percentage (%)
		Extremely repeatedly	9	11
6.	How often do the tasks	Very repeatedly	14	17
	assigned to you by your supervisor help you grow	Moderately repeatedly	23	28
	professionally	Slightly repeatedly	25	30
		Not at all repeatedly	12	14
		Total	83	100

Out of 83 respondents on the bases of tasks assigned to you by your supervisor help you grow professionally, 9 (11%) of them answered that extremely repeatedly, 14 (17%) of them answered that very repeatedly, 23 (28%) of them answered moderately repeatedly, 25 (30%) of them answered that slightly repeatedly and 12 (14%) of them answered that not at all repeatedly. This implies that employees are assigned to their job not only to fulfill the task but also to get experience and to be professional.

Table 21 Opportunity to Get Promoted

Item No.	Item	Scale	No. of Respondents	Percentage (%)
		Very High	4	5
7.	How many opportunities do you have to get	High	13	16
	promoted where you work	Neutral	21	25
		Low	27	32
		Very Low	18	22
		Total	83	100

From The above table 21, 4 (5%) of respondents has very high opportunity to get promoted, 13 (16%) of them has high opportunity to get promoted, 21 (25%) of them has no opinion, 27 (32%) of them has low opportunity to get promoted and the rest 18 (22%) of them has very low opportunity to get promoted. This implies that the chance of promoting of employees in the company is very low and they might not be come up with new ideas. Service firm must defectively train and motivate its customer contact employee and all the supporting service people to work as a team to provide customer satisfaction. (kotler, 1996)

Table 22 Opinion on Supervision at work

Item No.	Item	Scale	No. of	Percentage
			Respondents	(%)
		Very High	32	39
8.	How are you supervised at	High	26	31
	work	Neutral	25	30
		Low	-	-
		Very low	-	-
		Total	83	100

As it shown in the above table 22, 32 (39%) of respondents said that they supervised very highly, 26 (31%) responded high and 25 (30%) of them have no opinion. This implies that there is enough supervision at work. According to the import section manager not only supervise but they also evaluate employee's performance by their standard of procedure.

Table 23 Level of Employee's Satisfaction with their Benefits

Item No.	Item	scale	No. of Respondents	Percentage (%)
		Extremely satisfied	-	-
9.	Are you satisfied with your employee benefits	Slightly satisfied	10	12
		Neither satisfied nor dissatisfied	6	7
		Slightly dissatisfied	28	34
		Extremely dissatisfied	39	47
		total	83	100

Regarding employees satisfaction level with their benefit, 10 (12%) of them are slightly satisfied, 6 (7%) of them are neither satisfied nor dissatisfied, 28 (34%) of them are slightly dissatisfied and the rest 39 (47%) of them are extremely dissatisfied. This means that more than half of employees are dissatisfied with the benefits that they are getting from the company and employee of the company said that they could not get motivational factor, Even if they get that do not fulfill their want.

Table 24 Opinion on Proud of Organizations Brand

Item No.	Item	Scale	No. of Respondents	Percentage (%)
		Extremely proud	-	-
10.	How proud are you of your	Very proud	6	7
	organization's brand	Moderately proud	32	39
		Slightly proud	24	29
		Not at all proud	21	25
		Total	83	100

The above table 24 shows that, 6 (7%) of respondents are extremely proud with their company's brand,32 (39%) of them are moderately proud with their company's brand,24 (29%) of them are slightly proud and 21 (25%) of them are not at all proud with their company's brand. This means the employees will not tell their friends or relatives about the good image of the company.

Table 25 Likely of Leaving Organization

Item No.	Item	Scale	No. of Respondents	Percentage (%)
		Extremely likely	19	23
11.	How likely are you to look	Very likely	37	45
	for another job outside the	Moderately likely	11	13
	company	Slightly likely	9	11
		Not at all likely	7	8
		Total	83	100

From the total number of 83, 19 (23%) of them said that extremely likely look job outside the company, 37 (45%) of them said that very likely look job outside the company, 11 (13%) of them said that moderately likely look job outside the company, 9 (11%) of them said that slightly likely look job outside the company and 7 (8%) of them said that not at all likely look job outside the company. This implies that more than half of the respondents are looking another job outside of the company.

CHAPTER FOUR

SUMMARY, CONCLUSIONS AND RECOMENDATION

4.1 Summary

The general objective of this study is to assess the practice of customer service in Ethiopian Cargo. In order to achieve these objectives related literature reviewed, relevant interview questions to import section manager were raised and questionnaires were distributed to customers chosen by convenience sampling technique and employees chosen by stratified sampling technique. According to the bases of the data collected and analyzed the study has come up with the following findings.

- ➤ Considering the response of customers the larger part (71%) are not happy by most resent customer service experience with the company and the quality of customer service representatives is poor by most (58.5%) of the customers.
- With regard to the company's employee eagerness, the largest number of respondent (57%) indicate that it is poor and 61% of respondents respond that the quickness of the employee of the company is poor.
- Considering the response of customers, related to waiting time for having their question addressed, 62% of respondents replied high and respondents which counts 72% have very low satisfaction level on company's service.
- ➤ In relation to respondents about the process of problem solution 64% of respondents replied low. Also 74% of respondents respond that the customer services experience at the company is less than their expectation.
- According to the information gathered from the customers 43% of them respond that they lost their baggage before. Also 87 % of respondent's rate their compensation procedure is bad.
- > Considering the response of employees of Ethiopian cargo the larger part (56%) are not happy by their salary and employee benefit or motivational factor.

A large amount of employees respond that their job is challenging, stress full and meaningless to them.

4.2 Conclusions of the major findings

Depending on the findings discussed above the following are concluded.

- ➤ The customer services that are renderd by Ethiopian cargo are not attractive to their customers and the quality of their customer service representatives is not pleasing to the customers.
- As per the research finding, customers of Ethiopian cargo took long time for their question to be addressed and they are not satisfied by the company's service.
- From the research finding the company's problem solving process is very week and the service that provide by the company could not meet customer expectation.
- Customers of Ethiopian cargo suffer by their lose of properties and also the company Compensation system is not satisfactory to their customers.
- From the research finding customers of Ethiopian cargo are not satisfied by the customer service representative of Ethiopia cargo.
- Employees of Ethiopian cargo are not well paid and they are not happy with their payment and Even though employees benefits motivate employers, it looks the company does not encourage the employees of the company.
- Employees of Ethiopian cargo are not motivated or impulse to serve their customers; therefore the employees did not give on time service to their customers.
- As observed from the findings Ethiopian cargo employees do stressful and challenging job this leads the employees to be careless for their job.

4.3 Recommendations

Based on the major research findings that have been discussed so far the following points are recommended by the student researcher.

- The company should conduct a survey regarding customers feeling and need so that the customer service gives in such a way to attract its customers in doing so the company profit will be maximized and The Company should focus on weakness of customer service representatives and upgrade their skill by providing training program.
- ➤ Regarding the waiting time the company should make improvement of warehouse and maximize technology to serve by the time they are appointed such as custom x-ray machine by this strong security system will be insole for customers properties, in addition the company should compensate properly to the customers who lose their baggage.
- The company should give high consideration to customers by addressing their compliant on time, approaching customers politely and understanding their needs and want to meet their expectation by providing higher quality service.
- The company should give incentives like bonus, promotion, gift card, letters, increasing salary so that employers do their job effectively in return the customers will be satisfied and a satisfied customer forward positive word of mouth about the company.
- The company should decrease workload and increase manpower by hiring qualified personnel who are capable of giving solution to minimize employees stress and challenge with their job so that the employees can serve their customer in a better way.

BIBLOGRAPHY

Adrian P. (1994). **Principle of Service Marketing**, McGraw-hill Education, Pennsylvania State University

Cakim. (2010). Implementing word of Mouth Marketing; online Strategies to Identify Influencers, Craft Stories, and Draw Customer, John Wiley & Sons

Charly W. (2006). Marketing, Sales and Customer Service, A.I.T.B.S Publishers and Distributers

Denton D.K. (1998).**Horizontal Management; Beyond Total Customer Satisfaction**, Lexington Books

Guy W. (2010). The Squeky Wheel, Bloomsbury Publishing

K.harris. (2000). Customer Service: a Practice Approach, Prentice Hall

Kiristin H. and Nevile L. (2006). Making Customer Service Happen, Allen and Unwinlviva Books

Leonard I. B. (1991). Marketing Service; Competing Through Quality, New York, Simon and Schuster

Malhotra. (2006). Marketing Research; Applied Orientation, Prentice Hall

Kotler P. (1996). Principle of Marketing, Prentice Hall

Robert G. M. (1990). Service Operation Management, Allyn and Bacon

Valarie.A. et.al. (2010). Delivering Quality Service, New York, Simon and Schuster

Appendix A

St.Mary's University

Faculty of Business

Department of Marketing Management

Questionnaire to be Filled by Customers of Ethiopian Cargo

This questionnaire is prepared by prospective graduate student of year 2014 in the field of Marketing Management for the partial fulfillment of a senior easy. This questionnaire is prepared to assess the customer service practice of Ethiopian Cargo and its purpose is purely academic.

• The validity of your response has high contribution for success of my senior essay due to this reason I would like to ask you with due respect to give the right response. All information you provide to this study will be kept strictly confidential.

Thank you for your sincerely cooperation!

INSTRUCTION

- Give your response by placing "✓ "sign in the box
- Never need to write your name

1 Personal Information 1.1 Sex	A. Male B. Female
1.2 Age	A.15-20 B. 21-26 C. 27-32
	D. 33-38 E.Above 39
1.3 Educationa	background
A. 10/12 comp	eted B. Certificate C.Diploma
D. 1 st degree	E.master and above
2. Occupation	
A. Student	B. Employee E. If Other, please specify
C. Merchant	D. retired

3. How m	nany times do you use company s service?					
Pu	2-3 times 4-5 times ions directly related to the study ut "mark of your choose accordingly; the cood = G Neutral = N Poor = P	e options a		Good =	V.G	
Item No.	DESCRIPTION	V.G	G	N	P	V.P
1	How do you evaluate your most recent customer service experience with Ethiopian Cargo?					
2	How do you rate quality of the customer service representatives?					
3	How do you rate the facility of the company regarding to convenience?					
4	How do you rate the eagerness of the employees of the company to help?					
5	Would you please rate the quickness of the employees of the company to help you?					
				I		

• Put " ✓ " mark of your choose accordingly; the options are: Very High =V.H High=H Neutral = N Low = L Very Low = V.L

Item	DESCRIPTION	V.H	Н	N	L	V.L
No.						
6	The waiting time for having your					
	question addressed was					
7	How do you rate your overall					
	satisfaction with the company					
8	How do you rate the process of					
	problem resolution					
9	How likely is it that you would					
	recommend the company to a friend					
	(colleague)					

10. How was your experience with customer's service at the company? A). Better than you expected
B). Less than you expected
11. Have you lost your shipment before? A). Yes C).I don't remember B). No
12. If your answer is yes for question number 13 rate the compensation procedure? A. Very good E. Very bad
B. Good D. Bad
13. If you have any suggestion please explain?

Appendix B

St. Mary's University

Faculty of Business

Department of Marketing Management

Questionnaires to be filled by employees of Ethiopian Cargo. This questionnaire is prepared by student researcher prospective graduate of year 2014 in the field of marketing managements. This questionnaire prepared to assess the customer service practice of Ethiopian Cargo. The response provided by the respondent will be used only for academic purpose. Therefore, your response to the questionnaire has a significant contribution for the successful accomplishment of the above objectives.

Thank you in advance for your cooperation!

General instruction

- No need to write your name.
- Put "✓" in the boxes matching to your choices.
- If the question is related to your personal opinion write it shortly on the space provided.

1 Personal Information	
1.1 Sex A. Male	B.Female
1.2 Age A.16-25 B.26-35	C.36-45
<u> </u>	
D. 46-55 E. Above 55	
1.3 Educational Background	
C	
A.10/12 Completed B. Certificate	C. Diploma
D. 1 ST Degree E. Master And Above	
2. Position in the Company	
Please specify	

3. Questions Directly Related to the Study

1. How meaningful is your work?
Extremely meaningful
Very meaningful
Moderately meaningful
Slightly meaningful
Not at all meaningful
2. How challenging is your job?
Extremely challenging
Very challenging
Moderately challenging
Slightly challenging
Not at all challenging
3. How often do you stressed at work?
Extremely frequently
Very frequently
Moderately frequently
Slightly frequently
Not at all frequently
4. How well are you paid for the work you do?
Extremely well
Very well
Moderately well

		Slightly well
		Not at all well
5.	How	realistic are the expectations of your supervisor?
		Extremely realistic
		Very realistic
		Moderately realistic
		Slightly realistic
		Not at all realistic
6.	How	often do the tasks assigned to you by your supervisor help you grow professionally?
		Extremely repeatedly
		Very repeatedly
		Moderately repeatedly
		Slightly repeatedly
		Not at all repeatedly
7.	How	many opportunities do you have to get promoted where you work?
		Very high
		High
		Neutral
		Low
		Very low

8. How are you supervised at work?
Very high
High
Neutral
Low
Very low
9. Are you satisfied with your employee benefits?
Extremely satisfied
Slightly satisfied
Neither satisfied nor dissatisfied
Slightly dissatisfied
Extremely dissatisfied
10. How proud are you of your organization's brand?
Extremely proud
Very proud
Moderately proud
Slightly proud
Not at all proud

11. Ho	w likely are you to look for another job outside the company?
	Extremely likely
	Very Likely
	Moderately likely
	Slightly likely
	Not at all likely
12. wh	at is the best motivation that you recived todate?

Appendix C

St.mary's University

Faculty of Business

Department of Marketing Management

Interview Checklist

This interview is prepared to interview the manager of Ethiopian Cargo which is required to fulfill the research under study concerned to the customer service practice of the company.

- 1. How do you rate the customer service renderd by your company?
- 2. How often do you conduct performance evaluation on your customer service agents?
- 3. What is the industry practice regarding customer service?
- 4. What does the company policy say about customer handling?
- 5. What are the bench marks for evaluating your employees?
- 6. How well trained the company's complain handling agents?
- 7. What is being done by the management to improve the current customer service practice?
- 8. How often does the employees receive customer service training to update their skill?

ቅድስት ማርያም ዩኒቨርስቲ ቢዝነስ ፋኩልቲ

ማርኬቲንግ ማኔጅመንት ትምህርት ክፍል

በኢትዮጵያ ካርጎ ደንበኞች የሚሞላ መጠይቅ

ይህ መጠይቅ የተዘጋጀው በቅድስት ማርያም ዩንቨርስቲ በ2006 የማርኬቲንን ማኔጅመንት አጨ ተመራቂ ተማሪ የመመረቂያ ጥናት መረጃ ለመሰብሰብ ሲሆን የመጠይቁ ዓላማ የኢትዮጵያን ካርን የደንበኛ አገልግሎት ይመለከታል፡፡ ጥናቱ ሙሉ ለሙሉ ትምህርታዊ ነው፡፡ የእርሶ መልካም ፌቃደኝነት በጥናቱ ከፍተኛ አስተዋፆ እንዳለው በመገንዘብ መጠይቁን በትዕግስት እንዲሞሉ በትህትና አጠይቃለሁ፡፡ የሚሰጡት መረጃ በጥንቃቄ ይጠበቃል፡፡ ውድ ጊዜዎን ሰውተው ይህንን መጠይቅ ለመሙላት ፌቃደኝ ስለሆኑ በቅድሚያ ክልብ አመሰግናለሁ፡፡

ማሳሰቢያ

- ምላሽዎን "√" ምልክት ሳዋን ውስዋ በማስቀመዋ ግለፁ
- ስምዎን መፃፍ አይጠበቅብዎትም

1. የማል መረጃ

1.1. <i>25</i>	ወንድ	ቤተ		
1.2. <i>ዕድሜ</i>	15-20	21-26 27	7-32	
	33-38	ከ39 በላይ		
1.3 የትምሀርት	ደረጃ			
10/12ኛ ክፍል ,	ያጠናቀቀ 🔃	ሰርተፊኬት	ዲፕሎማ	
የመጀመሪያ ዲግ	26	ድህረ ምረ <i>ቃ</i>		

2.የስራ ሁኔታ

ተማሪ	ሰራተኛ [^	ьላ ካለ ሕባ <i>ክዎን</i>	ይማለጹ	
<i>ነ.</i> ንዴ	 ሌረታ የወ	oጣ/ የወጣ <u>ች</u>	:		
3. ምን ያህል ገ	Lዜ የድርጅቱን አ	ገልግሎት ተ	ተ ጠቅመዋል?		
2-3	4–5		ከ6 በሳይ 🗌		
የተናቱ <i>ን</i> ዑስ <i>መ</i> ሐይቅ					
ምላሽዎን " √" ምልክ	ነት በሳዋን ውስዋ	በማስቀመባ	r ይ ግለው ፡፡ ምሪ	<u>የ</u> ጫዎቹ	
በጣም ጥሩ = በ.ጥ	ጥና = ጥ	መካከለኛ	= 00		
	ደካማ = ደ	በጣም ያ	ደካማ = በ. ደ		

ተ.ቁ	ተያቄዎች	በ.ጥ	ጥ	Ø	Ļ	በ.ደ
1	በጣም በቅርብ በድርጅቱ ያገኑትን የደንበኛ					
	አገልግሎት <i>እን</i> ዴት ይገመግሙታል?					
2	የደንበኛ አገልግሎት ሰራተኞችን የዋራት ሁኔታ					
	እንዴት አገኙት?					
3	የድርጅቱን ምቾት እንዴት አገኙት?					
4	የድርጅቱ ሰራተኞች ደንበኞችን ለማገልገል ያሳቸው					
	ተነሳሽነት እንዴት አገኙት?					
5	የድርጅቱ ሰራተኖች እርስዎን ለማገልገል ያሳቸው					
	ፍተነት እንዴት አገኙት?					

ምላሽዎን " √ " ም	ልክት በሳተን	ውስፕ	በማስቀመጥ	ይግለፁ፡፡	ምርጫዎቹ
በጣም ከፍተኛ = በ.ከ	ከፍተኛ = h	æ	ስስለኛ= <i>መ</i>		
ዝቅተኛ = ዝ	በጣም ዝቅተ	ኛ = በ.	ዝ		

ቁጥር	ተያቄ	N.h	h	<i>a</i> v	าเ	ก.ก
6	ለጥያቄዎ መልስ ለማግኘት የወሰደብዎን					
	ጊዜ እንዴት ይገመግሙታል?					
7	ባጠቃሳይ በድርጅቱ አገልግሎት					
	ያገኙትን እርካታ እንዴት ይለኩታል					
8	ችግርዎን ለመቅረፍ ያለፉትን ሂደት					
	እንዴት ይገልፁታል?					
9	የድርጅቱን አገልግሎት ለጓደኛዎ					
	የመጠቆም ዕድል እንዴት ገልጹታል?					

10. በድርጅቱ ያገኙትን አገ	ኣ ግሎት <i>እን</i> ዴት <i>አገኙት?</i>	
ከጠበቁት በላይ 🔃	 እን ደጠ	በበቁት አይደለም 🔙
11. ከዚህ በፊት የተሳከልዎት	· እቃ ጠፍቶብዎት ያውቃል	Λ?
አዎ	አያውቅም 🔃	አ ላስታውስም
12. ለ13ኛው ጥያቄ ምላሽዎ	አዎ ከሆን የካሳ አከፋፌል ን	ሂደቱን እንዴት ይግለፁታል?
በጣም ቀሩ 🔃	ተ ሩ	መካከለኛ
በጣም መዋፎ	መዋፎ	
13. በድርጅቱ አገልግሎት ሳ	ይ አስተያየት ካለዎት እባክ	ዎ ይግለፁልን?

ቅድስት ማርያም ዩኒቨርስቲ

ቢዝነስ ፋኩልቲ

ማርኬቲንግ ማኔጅመንት ትምህርት ክፍል

በኢትዮጵያ ካርጎ ሰራተኞች የሚሞላ መጠይቅ

ይህ መጠይቅ የተዘጋጀው በቅድስት ማርያም ዩንቨርስቲ በ2006 የማርኬቲንግ ማኔጅመንት አጩ ተመራቂ ተማሪ የመመረቂያ ጥናት መረጃ ለመሰብሰብ ሲሆን የመጠይቁ ዓላማ የኢትዮጵያን ካርን የደንበኛ አገልግሎት ይመለከታል። ጥናቱ ሙሉ ለሙሉ ትምህርታዊ ነው። የእርሶ መልካም ፌቃደኝነት በጥናቱ ከፍተኛ አስተዋፆ እንዳለው በመገንዘብ መጠይቁን በትዕግስት እንዲሞሉ በትህትና አጠይቃለሁ። የሚሰጡት መረጃ በጥንቃቄ ይጠበቃል። ውድ ጊዜዎን ሰውተው ይህንን መጠይቅ ለመሙላት ፌቃደኝ ስለሆኑ በቅድሚያ ከልብ አመሰግናለሁ።

• ስምዎትን መፃፍ አይጠበቅብዎትም

እባክዎን ይ**ግለ**ውልን ———

- ምላሽዎን "√" ምልክት በሳዋን ውስጥ በማስቀመጥ ይማለፁ
- ዋያቄው የግል አስተያየት ከጠየቀ እባክዎን አጠር አድርገው በተሰዋዎት ክፍት ቦታ ይመልሱ

1. የማል መ	ረጃ					
1.1.	タナ	ወን ደ		ሴት		
1.2.	ዕድ <i>ሜ</i>	16-25	26-35			
	36-45	4	16-55	h 55	ાગ્રહ	
1.3.	ትምህረት ደረ	Y				
	10/12	<i>P</i>	ሰርተፍኬት		ዲፕሎማ [
	የመጀመሪያ ዲግ	6	ድህሪ ያ	ምረቃ እና	ከዚያ በላይ	
2. የስራዎ ያ	ተር ሻ					

3. የተናቱ ንዑስ መጠይቅ		
1. በስራዎት ምን ያህል ደስተኛ	ነዎት?	
በጣም ከፍተኛ 🔃	ከፍተኛ 🔃	መካከለኛ 🔃
አንስተኛ	በጣም አነስተኛ	
2. ስራዎት ምን ያህል ፌታኝ ነዕ	0 •?	
እጅባ በጣም <i>ፌታኝ</i> [በጣም ፌታኝ 🔙	መካከለኛ
በመጠኑ ፌታኝ 🔙	ፊታኝ አይደለም <u> </u>	
3. በሳምንት ምን ያህል ጊዜ በስ	ራ ይጨናነቃሉ?	
እጅባ በጣም ተደ <i>ጋጋሚ</i>	በጣም ተደጋጋሚ 🔃] በተደ <i>ጋጋሚ</i> [
አልፎ አልፎ	በፍፁም	
4. የሚከፊልዎትን የደመወዝ መ	ጠን እንዴት ይገል ፁታል?	
እጅግ በጣም ተሩ <u> </u>	በጣም ተሩ 🔙	መካከለኛ 🔙
ዝቅተኛ እጅፃ	በጣም ዝቅተኛ	
5. የቅርብ አለቃዎ ከእርስዎ የማ	!ጠብቁት የስራ ጥራት እ ው!	ታ ሳይ የተ <i>መ</i> ሰረት ነው?
እጅ <i>ግ በጣም</i>	(Iuda,	መካከለኛ
भकेनदं 🔃	እጅ <i>ግ በጣ</i> ም ዝቅተኛ	
6. ለእርስዎ በአለቃዎት የሚሰጥ	ዎት ስራ ምን ያህል እራስያ	ንን <i>እንዲያ</i> ሻሽለ
ይረዳዎታል?		
በጣም በዮሩ ሁኔታ 🔃	በዋሩ ሁኔታ 🔃	መካከለኛ 🔃
አንስተኛ 🔙	አይጠቅመኝም 🔲	
6. በድርጅቱ ምን ያህል የስራ እ	ድ <i>ገት አጋጣሚዎች ይ</i> ፌጠር	ልዎታል?
በጣም ከፍተኛ	ከፍተ ኛ	መካከለኛ

አነስተኛ <u></u> በጣም አነስተኛ <u></u>	
7. በድርጅቱ የቁጥጥር ሁኔታ እንዴት ይገልፁታል?	
በጣም ከፍተኛ ከፍተኛ መካከለኛ	
ብቅተኛ <u>በጣ</u> ም ዝቅተኛ <u></u>	
8. በድርጅቱ በሚያገኙት ጥቅማ ጥቅም ረክተዋል?	
በጣም ረክቻለው ረክቻለው ረክቻለው/አረካውም _	
አሪካውም <u>በጣም</u> አሪካውም <u></u>	
9. በድርጅትዎ የሚሰማዎትን ኩራት እንዴት ይገልፁታል?	
እጅግ በጣም እኮራስሁ <u>በ</u> በጣም ኮራስሁ <u></u> መካከለኛ [
እኮራለሁ <u></u> አልኮራም <u></u>	
10.ከድርጅትዎ ውጪ ስራ የመሬለግ አድልዎ እንዴት ይገልፁታል? እጅግ በጣም	

DECLARATION

Candidate's Declaration

I undersigned, declare that this senior essay is my original work prepared under the guidance of Ato Biruk G/Micael. All resource of materials used for the manuscript have been duly acknowledged.

Name <u>Betelhem tesfaye</u>
Signature
Place of submission: - <u>ST.MARY'S UNIVERSITY</u>
Date of submission
Advisor Approval sheet
This paper has been submitted for examination with my approval as the university advisor
Name <u>Ato Biruk G/Michael</u>
Signature
Date