#### ST. MARY'S UNIVERSITY COLLEGE FACULTY OF BUSINESS DEPARTMENT OF MARKETING MANAGEMENT

### AN ASSESSMENT OF CUSTOMER RELATIONS MANAGEMENT IN ETHIOPIA SHIPPING LINES S.C

#### BY SEYUM SURAFEL

MAY, 2013 SMUC ADDIS ABABA

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# A SENIOR ESSAY SUBMITTED TO THE DEPARTMENT OF MARKETING MANAGEMENT BUSINESS FACULTY ST. MARY'S UNIVERSITY COLLEGE

#### IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF BACHELOR OF ARTS IN MARKETING MANAGEMENT

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#### APPROVED BY THE COMMITTEE OF EXAMINERS

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#### **ACKNOWLEDGEMENTS**

First I would like to thank my almighty God for giving to me the power to do my job and made everything possible for me.

I would like to express me deepest gratitude to my advisor W/o Helina Mohamed, for her in valuable comments and advises through every chapter. It was very useful in preparing this paper. Next my special tanks goes to my family and friends for their useful ideas, morals, financial and other supports.

I am great full to thank Ethiopian Shipping Lines S.C employees and customers who sacrificed their time, to help me in providing relevant information to my research.

Thank you all!

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#### 1. Introduction

#### 1.1 Background of the Company

Accordingly to boone and Kurtz, (1998;122), Customer relation management refers a firm communications and relationships with its various customers. These customer include suppliers, stockholders, employees, the government, the general public and the society in which the organization operates cutlip, (2004;4) defines customer relation as the management function which evaluates customer attitude, identifies the policies and procedures of individual or an organization which the customer interest and plans and executes a program of action to earn customer understanding and acceptance.

Customer relation management is a company -wide business strategy designed to reduce costs and increased profitability by solidifying customer satisfaction, loalty, and advocacy. True customer relation management brings together information from all data sources with in organization (and where appropriate, from outside organization) to give one, holistic view of each customer in real time. This allows customer facing employees in such areas as sales, customer support, to make quick yet informed descation on everything from cross selling opportunities to target marketing strategies to competitive positioning tactics. (Ethiopian shipping line customer relation management document 2012;113) Ethiopian shipping line Share Company is one of the state owned government organizations that engages in rendering sea and logistics transport services in Ethiopian. Ethiopian shipping line Share Company was established in 1964 by the agreement of Ethiopian government and tours investment inc. at head office in Washington dc and Ethiopian government to subscribe to 51% and 49% of capital respectively. The company has changed its name to Ethiopian shipping and logistics service enterprise after maintaining amalgamation with three known

companies namely Ethiopian shipping line, Ethiopian maritime transport service and dry port service enterprise. The company has over 500 employees in both at sea and in the head office. The company provides services with its own vessels such as gibe, shebele, andinet, nesanet, admas, etc.

In General the Ethiopian shipping and logistics services enterprise have launched its services into many of the world continents that potential trade activities have been manifested.

#### 1.2 Statement of the Problem

Customer relation management can be defined as the development and maintenance of positive relationship between an organization and its customer. The development places the responsibility on the shoulders of the organization on the word maintenance identities customer relation as an ongoing and continuous process (milner, 1995:184).

As per point of understanding as well as modern conditions no government, industry, company or organization of any kind can operate successfully with out the cooperation of its customer. This customer may be both at home and overseas, but mutual understanding will be a potent factor for success in every case. with regard to this, following have been identified as problems associated with customer relationship in the company at large.

- Customer relations small departmental size in terms of facility and man power as compared to shipping lines size and standard hence limited customer relation service offered by the department
- ➤ Role confusion between sales promotion department and customer relation department. It is not clearly set to what extent these two deferent department should involve in customer relation activity. Due to this, some customer relation activities are being performed by the sales promotion department leading to confusion of role and responsibility.

> customer relation department do not use complaints and feedback in maintaining a good relationship with its customers. Due to this the departments activities performed by another departments because they following only one way information flowing.

Involvement of the customer relation department in development of customer related policies and procedure is little. Thus this research is aimed at conducting an extensive study on the scale of activities, organization, role and other aspects of customer relation management practice of Ethiopian shipping lines share company to identify and verify these and other problems and suggest possible solutions or new ideas.

#### 1.3 Research Questions

In order to investigate the above problems the student researcher will try to answer the following research questions.

- 1. What is the effort of the company customer relations management in creating and maintaining favorable image in customer mind?
- 2 .How does the shipping lines use complaints and feedback in maintaining a good relation ship with its customers?
- 3. To what extent is customer relationship management of the company fully equipped with the necessary qualification, training facilities, work environment to enable them to delivered the desired level of service?

#### 1.4 Objectives of the Study

> The primary objective of this research was to assess the crm practice of Ethiopian shipping and logistics services enterprise.

In addition, this study specifically intended to:-

1. Investigate the extent to which the company customer relation management creates and maintain favorable image in the minds of customers.

- 2. Describe the way how the company is handling customer complaints.
- 3. Investigate the extent to which the relation managers of the company are qualified and trained to deliver customer service.

#### 1.5 Significance of the Study

This research paper will be important to the company as a mirror to see the implementation of customer relations management. And also the study will be important to others as a secondary data when they engaged in conducting similar study. Finally, the study will be important for the student researcher to link the theoretical knowledge with life situation.

#### 1.6 Delimitation of the Study

**Subject delimitation:-** the study was concerned on the overall activities of customer relation management practice on the company.

**Time Delimitation:** the student researcher would try to cover the period starting from 2010 -2012 because of cost constraint.

**Area delimitation:-** Ethiopia shipping lines is not located in any were here in Addis except 'leghar' thus the student researcher would focus on this head office.

#### 1.7 Research Design and methodology

#### 1.7.1 Research Design

The student researcher used descriptive research method. This is to describe the research problem effectively.

#### 1.7.2 Population, Sample size, and Sampling Technique

Customers who were doing regular business with the company to import and export products and company employers and customer relation manager was considered as a population for the survey. In this regard, much effort was exerted to include the majority of respondents from importers, exporters and employees are regularly and actively using shipping line service. The student researcher believe that it was difficult to identify and access all the cargo and passenger customer of shipping line, as the result a total 200 sample respondents were selected from Addis Ababa shipping line using the appropriate sample size suggestion given by malhotra (2007; 200) among the non-probability sampling technique was primarily employed to determine the size of sample for each unit. I.e. a total of 200 samples from importers, and exporters of shipping line were considered.

#### 1.7.3 Types of Data to be collected

The student researcher will use both primary and secondary data to collect from the respondent.

#### 1.7.4 Method of data collection

Interview and questionnaire would be used to collect primary data. Interview conducted with customer relation management head. On the other hand questionnaire was distributed to customers. The student researcher was collected secondary data through referring books, internet, published and unpublished materials given from the company.

#### 1.7.5 Data analysis Method

The student researcher applied different data analysis techniques and methods so as to obtain viable feedback for the end result of the study. In this aspect, the study used percentage, tables, and the likes to analyze the quantitative data to make change into meaningful results furthermore, the interview data was narrated qualitatively.

#### 1.8. Limitation of the study

In this research the student researcher faced so many obstacles in my study among these the major once are financial constraints, lack of reference book and insufficient time. For the above limitation I have tried to solve by finding few.

Co-operative friends and relation to solve my financial problem. Secondary I have tried to solve by using Addis Ababa University to solve the lack of reference, finally I have taken an agreement with my parentes to give time form study

#### 1.9 Organization of the Study

The study would be organized in to four chapters. The first chapter contains introduction, statement of the problem, research question, objective of the study, delimitation, significant of the study, research design and methodology and organization of the study. Chapter two covered literature review. Chapter three was consist data presentation, analysis and interpretation. The final chapter was proceeds summary of the findings, conclusion and recommendations.

#### **CHAPTER TWO**

#### REVIEW OF RELATED LITERATURE

#### 2.1. Overview of Customer Relation Management

This portion of literature view gives emphasis on the customer relations historical background and will try to vivid its functions.

#### 2.1.1. Definition of Customer Relation Management

Customer relation management can be defined as the development and maintenance of positive relationship between an organization and its customer. The development places the responsibility on the organization and the world maintenance identifies customer relation management as an on going and continuous process (Milner, 1995:184). Further more the institute of customer relation defines customer relation management as the deliberate planning and sustained export to establish as the deliberate planning and sustained export to establish and maintain mutual understanding between an organization and customer (Tony:2002:166). Although this is the definition of the main professional body, we might take the following specific function relating to customer relation management.

- Anticipating, analyzing and interpreting customer opinion, attitudes and issues which might impact, for good or ill, the opinions and plans of the organization.
- Canceling managements at all levels with regards to policy decision, courser of action and communication.
- Researching, conducting and communication to achieve informed customer understanding nesses any for the success of the organization aims.
- Planning and implementing the organizations effort to influence or change customer management policy.

Customer relation management is the skills communication of ideas to identify and interprets policies and programs of organization with the objective to establish abridge of understanding and good will between organization and their customer.

#### 2.1.2. History of Customer Relation Management

Customer relation management has relatively short History and Avery long way to go (Vanik, 2004:10). Further Banik elaborates that customer relation management in the past has been practiced as an information and tool of the government. He also clearly categorized the phases of history; Banik explained that a customer relation management in the past has been pretences as an information and tool of the government. He also clearly categorized the phases based on the Indian history as the era or propaganda.

All the above three phases have their definite communication objective. The phases of propaganda techniques used to preserves the government rule and keep an eye on the intrigues of their enemies.

#### 2.1.3. Functions of Customer Relation Management

Customer relation management has general objectives to establish and maintain a positive image of the company among its various customers (Blech, 2004:23). Therefore the customer relations target to crate a conductive work environment for the company and its objective customer relation management develops and implements program to meet organization objectives by maintaining sustainable image, bridging customer loyalty and other relevant customers including employees, suppliers, stock holders, government labour groups, citizen action groups (Belch 2004:95).

#### 2.1.4. Objective and Aims of Customer Relation Management

The main objective of customer relation management is to enhance a company's reputation. According to (Black 2004:18), the practical application of customer relation management practice can be summarized under two main headings.

- Positive steps to achieve good will: these consists in arousing and maintain good will and customer interest in the activates of an organization in order to facilitate the successful operation and expansion of those activates.
- Internal relationship: using customer relation management techniques internally in order to that the staff and employees of the organization shall be encouraged to identify their own interests with those of the management.

#### 2.1.5. Elements of Customer Relation Management

By taking different factor into consideration (Colley 2001:12) has listed four possible elements of customer relation management:-

- The message to be transmitted.
- An independents third party endorser to transmit the message.
- A target audience to motivate.
- Medium (television, radio etc.) to transmit the message.

#### 2.1.6. Major Tools of Customer Relation Management

According to (Berkowitz, Kerin and Rudellus 1980:98) to communicate with internal and external customers and also the customers a company customer relation management department must uses appropriate tools.

• **Customization**:- Companies relay extensively on customized material to reach and influence their target markets. These include annual reports, brochures, articles company news letters and magazines, and audiovisual materials.

- **Events:** Companies cant draw products or other company activates by arranging special events like news conference, seminars, outing exhibits, contests and competition.
- <u>News:</u> One of the major tasks of customer relation management professional is to find or create favorable news about the company, its products, and its people.
- **Speeches:-** Are another tool for creating product and company customer relation... lee lacocca's charismatic talks before large audiences helped Chrysler sell its cars.
- **Identity Media:** Is a society marketed by over load, companies the public immediately recognized. The visual identity is carries by company logos, stationary, broachers, signs, business forms cards, buildings and dress codes.

#### 2.1.7. The Role and Impact of Customer Relation Management

According to (Kolter 2006:467) customer relation can have a strong impact on customer awareness at a much of lower cost than advertising can the company tool not pay for the space or time in the media rather; it pays for staff to develop and circulate information and to manage events. If the company develops an interesting story, it would by picked up several media, having the same effect as advertising that would have more credibility than advertising.

Further strength as, although customer relations management still captures only a small portion of the over all management budgets of most films, customer relation is playing an increasingly important brand building role customer relation management can be power full brand building tool. In addition (Beleck 2004:565) strengthens the new role of customer relation management as envisions both strong marketing and strong customer relation departments.

#### 2.2. Factors Affecting Customer Relation Management

There might be many factory which have an influence on the practical customer relation management activates of any organization. Hibbing and (2003:383) recommend the following factors should be considers period to any customer relation management activates implemented these activates are:-

- Setting objectives
- Setting standards
- Identity the tools
- Identifying the target groups
- Availability of technology
- Activates should be specific
- Selection of personal customer and relation management department

#### 2.3. Measurement of Customer's Relation Management Center

Customer relation management is influenced by the nature of the stimuli and characteristics of the customer (Kirpatrick and Russ 1992:155). As result customer relation management effectiveness is measured depends on the measuring about the customer employer and suppliers. There are two popular methods of measuring customer relation management center.

#### 1. Recall Tests

Person who engages in the work of customer relation management asks people who have been exposed to magazines or television program to recall very thing. They can about customer relation management they saw. Recall sources indicator the customer relation management power to be noticed and retained. In magazine tests the researcher asks relaters of a given issue about customer relation management and then recognition scores can be used to assess the customer relation management impact in different market segments.

#### 2. Portfolio Test

Customer's view or listen to portfolio of customer relation managements taking as much time as they need. They are asked to recall all customer relation management message and their content aided or un aided by the interviewer. Banik. (2000;196)

#### 2.3 Creating customer relation management messages

No matter big the bugged customer relation management can succeed only if commercials gain attention and communicate well-good customer relation management message are especially important in today's costly customer relation management environment.

Just to gain and hold attention today's customer relation management message must be better planned more entertaining and more rewarding to customer. Banik, (2000;200)

Here are methods in creating customer relation management messages

**1. Message strategy;** the first step in creating effective customer relation management messages is to plan a message strategy. The purpose of customer relation management is to get consumer to think about or react to the product or company in a certain way.

Thus developing an effective message strategy begins with identifying customer relation management appears. Banik,(2000;190)

The creative concept will guide the choice of specific appears to be used in customer relation management campaign. Customer relation appears should have three characteristics. Banik,(2000;210)

- a. They should be meaning full pointing out benefit that makes the product more desirable or interesting to consumers.
- b. Appeals most be believable consumer must be believe that the product or service will deliver the promised benefits.

c. Appeals should be distinctive they should tell how the product better than the computing brands these three characteristics must be fulfilled in effective customer relation management message.

These three characteristics must be fulfilled in effective customer relation management message.

**2. Message Executive:-** customer relation management now has to turn the big idea in to an actual customer relation execution that will captured the target market's attention and interest.

The creative people must find the best style tone words and format for executing the message can be presented in different execution styles.

#### 2.4 Advantage of Customer Relation Management

Customer relation management have both advantages and disadvantages (Belch, 2006:376) specified there elements as follows.

#### **Advantages**

- 1. **Credibility:-** because customer relation management communication are not perceived in the same light as advertising that is the customer tool not directly or indirectly paid for them there tend to have more credibility.
- 2. **Image Buildings:-** Effectives customer relation management help to develop a positive image for organization a strong image is insurance agonist inter misfortune.
- 3. **Cost:** in both absolute and relative terms, the cost of customer relation management is very low.
- 4. **Avoidance of culture:** they are typically perceived news subject to the culture of advertisement.

#### 2.5 Nature and function of customer relation management

The customer relation management practitioner has to conduct organization her contact. The specific nature such group rout (2003:145) identified sever basic customer which include.

• Community, Employees, Government, The financial community, Distributor, Public and open ladders.

With the natural of such groups, nature of customer relation management practice will vary accordingly. For example, when customer relation management activity is done to consumers the purpose will focus on why consumers consume our product or services, why they buy from us and the like, with regard to this the nature of costumer relation management varies accordingly with the target group.

Customer relation management may, at different times, fulfill a variety of different function. According to TONY Yeshin (1999:167-170) the following list identifies some of the most important aspects of customer relation management but, undoubtedly, there will be a number of other activates which might be added.

#### A. Opening forming

An incising thrust temporary society is development of opinions concerning the activities of companies produce. Too the extent that companies operates with in the bounds of customer relation management attitudes.

#### B. Counseling senior management

More and more companies are recognizing that all aspects of there internals and externals actions are likely to have an impact on customer perceptions of their organizations senior management musty be consciously aware that they must frame there activity in the way which makes them, as far possible, both socially and politically acceptable.

#### C. Product of service customization

The extern perception of customer relation of customization for the products and services which the company provides.

#### D. Media relations

The appearance of positive customization for company or organization does; not happen by chance. Invariability, it is the result of carefully nurtured relation ships between the various ant the company over along period of time.

#### CHAPTER THREE

#### 3.1 DATA ANALYSIS PRESENTATION AND INTERPRETATION

This chapter mainly focused on the collection of data and its analysis as well as interpretation which being gathered from Both customers as well as managers of shipping lines. The data were obtained through questionnaires and interview. The questioners were distributed to the customers of the shipping line and interview conducted with the marketing manager of the company.

Among the 200 customers taken as a sample respondent thus 200 copies of questioners have been distributed to these customers of shipping lines and the student research had received 190 questionnaires which had been completed by these customers.

Table 1. The characteristics of the respondents

	Item	Custo	Customer response	
No		Amount	Percent (%)	
1	Gender			
	Male	153	80.5%	
	Female	37	19.5%	
	Total	190	100	
2	Age			
	18 -28	26	13.7	
	29 -39	53	28	
	Above 40	111	58	
	Total	190	100	
3	Educational Status			
	12 <sup>th</sup> complete	78	41	
	Certificate	65	39.2	
	Diploma	27	14.2	
	1st Degree	20	10.6	
	Total	190	100	
4	Occupation			
	Unemployed			
	Student			
	Private employee			
	Public employee			
	Other			
	Total	190	100	

Item 1 of the table No 1 shows that the gender difference of the respondents among the total number of respondents 153(8.5%) of them were male and the rest 37(19.5%) of them were females. There fore most of the customers of shipping line were male. Based on the data majority

of the respondent were male. This shows that majority of the customers of the company6 is male.

Item 2 of table No.1 shows the age categories to which the respondents belongs to the age of 18-28, 26(13.7%) of them on the age of 24-39 were 53(28%) of them and 11(58.3) of them were above 40 year for age.

Based on the data majority of the respondent were belongs to the age of above 40. This shows that most of the company activities, import and export. Performed by those aged persons.

Item 3 of table 1 shows the education background of the respondent according 78(41%) of them are 12<sup>th</sup> grade completed 65(39%) of them had certificate 27(14%) of them were diploma holder 20(11%) of them 1<sup>st</sup> degree. As the data indicates that most of the customers were under diploma. This shows that customers the agents of the organization to this the task they perform with the company require medium level of knowledge.

In addition item 4 of the above table No.1 concerning the occupational Background of the respondents the figure shows that 46(28.05%) of them were unemployed 92(56.1%) private employees 26(15.85%) of them are public employees as the data shown most of the customers were private employees. This shows that majority of the import and export activities are performed by private organizations.

### 3.1.2 Respondents perception on Business relationship and number of years with the shipping line.

<b>N</b> T -	Item	Customer response	
No		Amount	Percent (%)
1	Business relation ship with the		
	shipping line		
	Importer	101	53.16
	Exporter	60	31.58
	Importer and Exporter	29	15.16
	Passenger	0	0
	Total	190	100
2	No of years doing business with		
	the shipping line		
	Less than 4 years	40	21.05
	4-9 years	88	46.31
	10-15 years	62	32.64
	16 years and above	-	-
	Total	190	100

As item 1 of the table 2 shows the business the relation ship of the respondent with the company accordingly 101 (53.06%) of them were importers 60(31.7%) of them were exporter 29(15.24%) of them performed both import and export. As the data shown that most of the customers were importer this implies that the number of importer is greater than exporter in our country.

Item 2 of the table No 2 shows that the number of years doing business with shipping line the above figure comprise 40(21.05%) of customer were working less than 4 years 88(46.31%) of them for 4-9 years

62(3264%) for 10-15 Years and 0(0%) for 16 years and above out of the total 190 respondents.

As the data indicates that majority of respondent doing business with the company from 4 to 9 years. This shows that the importing and exporting activity of the country increase with the increasing rate.

## 3.1.3 Customers response related with company's effort in positive image creation and having common understanding with its customers.

Table No 3.

<b>3</b> 7 -	Item	Customer response	
No		Amount	Percent (%)
1	How do you rate the extent of		
	the shipping line effort in		
	creating positive image in the		
	mind of the customer?		
	Very high	-	-
	High	22	11.6
	Medium	88	46.31
	Low	80	42.1
	Very low	0	0
	Total	190	100
2	Shipping line works to ward		
	general common understanding		
	with its customers?		
	Strongly agree	0	0
	Agree	34	16.33
	Disagree	94	49.4
	Strongly disagree	65	34.30
	Total	190	100

An item 1 of table 3 implies that the extent of the shipping lines effort on creating positive image in mind of the customers. As the figure shows 88 (46.33%) of them replied medium 80(42.7%) of them replied low and 22(11.6%) of them replied high. The data indicate that majority of the respondent medium evaluate the company Based on this majority of the respondent do not have good image about the company customer relation practices.

In addition item 2 of table 3 implies that the company's effort towards creating general common understanding with its customers 81(49.4%) of them responded as natural 56(34.12%) of them responded disagree and 27(16.48%) of them agreed. As the data indicates that majority of the respondent were natural about the companies effort towards creating general common understanding with the customers this shows that the company do not work on the creation of general common understanding with the customers.

### 3.1.4 The public media usage of the shipping line to communication with customer

Table No. 4

		Customer response	
No	Item	Amount	Percent (%)
1			
	Have you seen the activities of		
	customer's relation		
	management by shipping line		
	company?		
	Yes	71	37.4
	No	119	62.6
	Total	190	100

2	Shipping line uses adequate		
	communication to collect		
	information and establish on		
	going communication with its		
	customers?		
	Strongly agree	0	0
	Agree	65	34.2
	Disagree	35	18.4
	Neutral	90	47.4
	Strongly disagree	0	0
	Total	190	100
3	Do you think that shipping line		
	had problem in its		
	communication with its		
	customers?		
	Yes	113	59.5
	No	77	40.5
	Total	190	100
4	How do you rate the shipping		
	line on using of public media		
	like radio and News paper?		
	Very high	0	0
	High	0	0
	Medium	65	34.2
	Low	35	18.4
	Very low	90	74.4
	Total	190	100

Item 1 of the table 4 71(37.4%) of the respondent have seen the customers relation management on shipping line. But 119 (62.6%) of the

respondent did not seen it based on analysis most of the customers did not know about the customer relation activity of the company there fore the company expected to work more on the customer management practices.

As we can see from item 2 of table 4, 90(47.4%) of the customer response is natural for the question that shipping lines uses adequate communication tools to collect information and establish on going communication with its customers 65(34.25%) of the customers response is agreed that shipping line uses adequate communication tools to collect information and establish on going communication. As the data implies the shipping line uses adequate communication tools to get their customers.

Item 3 of table implies 113(59.15%) of them responded as the shipping line has a problem on the communication with its customers and 77(40.85%) of them responded the company did not have a problem on it. As the data indicates that majority of the respondent answers there is a problem on the communication with the customers this implies that the shipping line have a problems on its communication with the customers.

Item 4 of table No 4 which shows how the customers rate the shipping line on the use of public media for the customer relation ship purpose 35(18.4%) of the customers response is low on the company using of public media 90(74.4%) of the customers response is very low and the rest 65(34.2%) of the customers response in the company's using of public evaluated highly. As the data indicates that majority of the respondent evaluated the company's usage of public media for customers as very lowly. This implies that the performance of the company is poor

in the using of public media like TV, Radio and News papers for the customers relation ship purpose.

3.1.5 The company customer handling and offering service activity Table No. 5

	Item	Customer response	
No		Amount	Percent (%)
1	How do you evaluate4 the		
	shipping line on the offering of		
	service for the customers?		
	Very strong	39	20.83
	Strong	94	49.4
	Medium	57	29.87
	Poor	-	-
	Very poor	-	-
	Total	190	100
2	How do you evaluate the		
	customer handling activities of		
	the company?		
	Very good	-	-
	Good	33	17.45
	Medium	79	41.58
	Weak	73	40.97
	Very weak	-	-
	Total	190	100

On item 1 of table 5 we can understand that 94(49.4%) of the customer respondent strong for the company's on the offering of service for the customers 57(29.87%) of the customers responded medium and 39(20.83%) of the customers responded strong for the company's on the offering of service for the customers. This implies that the shipping line service offering activity need some improvement.

On item 2 of table 5 we can see that 79(41.58%) of the customers responded medium 78(40.97%) of customers responded weak and 33(17.45%) of them said good for the customers handling activities of the company. This implies the company have had problem on their customers handling activity.

3.1.6 Information gathering from the customers and its usage Table No. 6

	Item	Customer response	
No		Amount	Percent (%)
1	How do you rate the effort of		
	shipping line by the using of		
	available information from the		
	customers as an input to take		
	corrective action?		
	Very strong	0	0
	Strong	0	0
	Medium	118	63.2
	Poor	40	20
	Very poor	32	16.8
	Total	190	100

Item 1 of table no 6 implies the effort of the company in using available information from customers to take corrective action. The figure above shows that 118(63.1%) of the respondents rate it medium 40(20%) of them replied weak 32(16.8%) of them very weak and non of them i.e. 0(0%) replied very strong or strong. As the data indicates the company had a problem on the using of available information from the customers as an input to take corrective action.

#### 3.1.7 Customer relation management practice of the company

Table no .7

	Item	Customer response	
No		Amount	Percent (%)
1	Are you satisfied with the		
	company customer's relation		
	management practice do you		
	believe it is useful?		
	Yes	76	40
	No	114	60
	Total	190	100
2	Are employees positive towards		
	customer handling?		
	Yes	61	32
	No	129	68
	Total	190	100

Table No. 7 item 1 shows whether the company customer relation management practice satisfied the customers or not as such the figure shows that 114(60%) of the respondents said no and 76(40%0 of them replied yes out of the total respondent.

As the data indicate the company had a problem on the customer relation management practice.

Item 2 of the above table tried to the positive attitude of the employees to words customers handling and the figure shows that 129(68%) of the respondent said no and 61(32%) of the remaining respondent said yes.

As the data implies most of the employees of the shipping line were negative towards customer handling but some of them were positive therefore, the shows that the company have a problem on the customer handling practice.

### 3.1.8 Customers response related with customers demand and customers relation management of the company.

Table No. 8

	Item	Customer response	
No		Amount	Percent (%)
1	How often is customers		
	demand given full attention		
	Never	-	-
	Very often	-	-
	Not often	72	37.8
	Moderate	118	62.2
	Other specify	_	-
	Total	190	100

Item 1 o0f table no 8 implies whether customers demand given full attention or not the figure shows that 118(62.2%) of the respondents said its moderate 72(37.8%) said not often and non of them responded. Never and never often of all the 190 respondents. This implies that the company customer relation activity is not based on demand of the customers.

#### 3.2 Analyses for Interview checklist

The information or response for the presented interview questions from the customer relation manager of shipping line are analyzed in this part of the student of the question asked about the over all customer's relation management practices of the company. The manager replied that the company works for the better performance of public relation activity by planning the following major activities:-

- Preparing the continues short term training for the employees which are directly or intricately contacted with the customers.
- Performing continues follow up for the applicability of proper customer relation management.
- Creating experience sharing programs for the employees with the selected company's which have best customer relation management performance.
- Collecting questions and suggestion from the customers and t6ake it an input for the coming plan.

The student researcher asked about the kind of factors that the company considers for selecting customers. The manager replied by considering the type and amount services required to be accomplished by the company.

The student researcher asked about the kind of practices that the company possess in the allocation of customer relation management budget. The manager replied that the budget of the customer relation management of the company is allocated considering the annual financial budget prepared by the department. For the question asked about the challenges that most of the time faced by the company in relation to customer relation management. The manager replied the customers and the employees do not work corporately and the

customer's unable to give us suggestions and questions are mostly happened.

The student researcher asked about the overall activities of customer relation management practices of the company. The manager replied that over all activities of the customer relation management activity of the company need improvement and to be performed by considering the above maintained major plans and others. In addition to these the department required qualified employee for the better performance for the question asked about the capacity building program that the company offered for the employees about the customer relation management practice. The manager replied that the company prepare training for two times a year and experience sharing performance on time a year for the employees which are directly or; indirectly contacted with the customers about the proper customer relation management practices.

#### CHAPTER FOUR

#### SUMMARY, CONCLUSION AND RECOMMENDATIONS

This chapter deals with summary, Conclusions and recommendations of the finding which were concerned on the activity of crating and mentioning favorable image in the customers mind, the usage of complains and feedbacks and the capacity building performance of the company.

#### 4.1 summary of the finding

The major findings of the data analyzed from the questionnaires and interviews would be summarized below:-

- > Majority of the respondent were male.
- ➤ Majority of the respondent were above the age of 40 year and 41% of them were high school graduate.
- > Majority of the respondent were private employee.
- ➤ Majority of the respondent were importer. In addition majority of the respondent and for 4-9 years have done business with the shipping line.
- ➤ On the creating of positive image in the mind of the customer the company evaluated medium by the majority of the respondents.
- ➤ Majority of the respondent evaluate neutrally on the uses of adequate communication to collect information and establish on going communication with its customers.
- > Majority of respondent implied that the company had problem on its communication with the customers.
- ➤ On the using public media like radio and news paper of the company the respondent evaluated as very lowly.

- > majority of the respondents strongly evaluate the company on the offering of service for the customers
- ➤ Majority of the respondents on the customer handling activity of the company, evaluate medumly.
- ➤ Majority of the respondent medium evaluate the company on the using of available information from the; customers as an input to take corrective action.
- > Majority of the respondents didn't satisfied with the company customer relation management practice.
- ➤ Majority of the respondents replied that the employees of the company didn't positive towards customer handling.
- ➤ Majority of the respondents moderately evaluate the company, on often give full attention for customer demand.
- ➤ The manager; replied the company planned to prepare continuous short term training for the employees, continuous follow up for the applicability, creating experience sharing programme and collecting questions and suggestions from the customer questions and suggestions from the customers about the public relation management about the public relation management practice. On the coming the company's budget including them because the department budget can get with it.
- The manager replied that the company selection the customers by considering the type and amounts of service required to accomplished by the company.
- ➤ The manager replied that the employees of the company and customers had a problem of working corporately.

## 4.2 Conclusions

For the study the student researcher concluded that then over all customer relation management practices of the company, even though there arte some issues that are not addressed to practice customer relation management service effectively and efficiently, these are:-

- The company didn't perform as expected on the creation of positive image in the minds of the customers.
- The company didn't work as expected towards the general common understanding with the customers.
- The company didn't have observable practice on the public relation management
- The company uses adequate communication to collect information and establish on going communication with its customers.
- The company had problems on its communication with the customers.
- The company didn't used public Medias to contact with the customers.
- The employees of the company didn't positive towards customer handling.
- The company used available information from the customers as an input to take corrective action and it gives oftenelly give full attention for customers demand.

- The company planned to improve its customer relation management practices by preparing continuous short-term training for the employees, continuous follow up for the applicability, creating experience sharing programme and collecting questions and suggestions from the customers.
- The employees of the company and the customer didn't work corporately to solve the problems on their relation.

## 4.3 Recommendations

The main purpose of this study is to evaluate the customer relation management practice of the shipping line. Based on the finding of the study the student researcher suggests the following recommendation to improve the customer relation management activity of the company:-

- The company should appreciate female, younger and exporters to do business with it.
- The company should perform as expected on the creation of positive image in the mind of the customer and towards the general common understanding with the customers.
- The company should improve and follow up the overall activities of the customer relation management practice and create a media to communicate with customers with addressable public Medias.
- The company should improve the customer handling practice its employees and create favorable conditions to work corporately.
- The company should have a serious follow up on the applicability of the planned activities of the customer relation management practice.
- The shipping line should perform on the extent of customers relationship management fully equipped with the necessary qualification, training facilitates, work environment to enable them to delivered the desired level of service.

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#### ST. MARY'S UNIVERSITY COLLEGE

#### **BUSINESS FACULTY**

#### DEPARTMENT OF MARKETING MANAGEMENT

# Appendices A

# Questionnaire to be filled by customer

This questionnaire is prepared by the student researcher of St Mary's University College for the partial fulfillment of BA degree on Marketing Management. This aimed to evaluate the customer relation practice of the department and their function. All information will be kept confidential and the result of the study will be used only for academic purpose. Believing of that your reliable and honest answers will greatly contribution to the successes of the paper. Finally the student researcher wants to thinks for your kind cooperation.

Instruction: please put tick mark  $(\checkmark)$  on the box for your response.

#### I. Personal Information

1.	Age	
	A. Below 18	В. 18-28
	C. 26-35	D. above 35
2.	Sex	
	A. Male	B. Female
3.	Education Status	
	A. 12 Complete	B. Certificate

	C. Diploma	D.1st Degree
	E. above 1st degree	
	F. Furthers please specify	
4.	Occupation	
	A. Unemployed	B. Students
	C. Private employee	D. Public Employee
	E. Other	
II.	Questions related with the	study
5.	Business relation with the shipp	ing line?
	A. Importer	B. Exporter
	C. Importer & Exporter	D. Passenger
6.	Number of years doing business	with the shipping line?
	A. Less than 4 years	B. 4-9 years
	C. 10-15 years	D. 16 years and above
7.	How to you rate extent of the sh	ipping lines efforts in creating positive
	image in the minds of customer?	
	A. Very high	B. High C. Medium
	D. Low	E. Very Low
8.	Shipping line works towards cre	eating general common understanding
	with its customers?	
	A. Strongly Agree	B. Agree C. Disagree
	D. Neutral	E. Strongly disagree

9. F	. How do you rate shipping line relationship with public media like TV,		
F	Radio, Newspaper etc?		
A	A. Very High	B. High	C. Medium
Ι	D. Low	D. Very Low	
10.	Shipping lines uses adequa	ate communication	on tools to quit
	information and establish of	on going commu	unication with its
	customers.		
	A. Strongly Agree	B. Agree	
	C. Disagree	D. Neutral	
	E. Strongly Disagree		
11.	Do you think that shipping lin	ne has problem in	its communication
	with the customers?		
	A. Yes	B. No	
12.	2. If your answer to the above question is yes, please specify the kin		se specify the kind
	of problem.		
13.	What is the effort of shipping	line in facilitatin	g meeting with its
	employee in order to have smoo	oth relationship?	
	A. Very high	B. High	C. Medium
	D. Low	E. Very Low	
14.	How do you see shipping line	in considering fro	om employee as an
	input to take correcting measures?		
	A. Very High	B. High	C. Medium

	D. Low	E. Very Low
15.	What is the effort of shipping	g lines in available of information from
	employee as an in put to take	correcting measures?
	A. Very High	B. High C. Medium
	D. Low	E. Very Low
16.	Is the type of customer's	s relation management being used
	advantageous to the company	?
	A. Yes	B. No
17. If you answer is no to question No. 16 describe the disadvantage		on No. 16 describe the disadvantages?
18.	Are employees positive towa	rds?
	A. Yes	B. No
19.	How often is customers dem	and given full attention?
	A. Never B. V	Very Often C. Not Often
	D. Moderate E. C	Other Specify
20.	How you seen customer's	relation management by shipping line
	company?	
	A. Yes	B. No
21.	Do you know any business	organization which is engages similar
	offer like shipping line?	

22.	What is your general comment on the over all customer handling of
	the management of Ethiopia Shipping Lines and Logistics Services
	Enter presses?

# የቅድቅተ ማርያም ዩኒቨርስቲ ኮሌጅ ቢዝነስ ፋካሊቲ ዲፓርትማንት ማርኬቲንግ ማንጅማንት

የማርኬቲንባ ሜ ጅመ የኢት. ንባድ መርከብ በደንበኞች የሚሞላ መጠይቅ

ይህ ማጠይቅ የሚሞላው በሰራተኞች ብቻ ሲሆን ይህም ዕጩ ተመራቂ ተማሪው በሚሰራው የመማሪቂያ ፅሑፍ በኢትዮጵያ ንግድ መርከብ ድርጅት ውስጥ የሚከናወኑ የሽያጭ ስራዎች መመርመር ሲሆን የሚነኘው መረጃ እውነተኛነት ምላሽ ላይ ያለ ውጤት ያመጣል፡፡ ስለዚህ በምትሞሉበት ጊዜ ትክክለኛ መረጃ እንዲሞሉ እንጢይቃለን፡፡

ማጠይቁን ሲሞሉ ሳጥኑ ወስጥ () ማጠቀም አልያም በተዘ*ጋ*ጀው ክፍት ቦታ ላይ ማልስዎን ያስቀምጡ፡

# I. የባል መረጃ

1. ዕድሜ	
υ/ h18 - 28 🔲	Λ/ h40 - 50
<i>d</i> h/ 1129 − 39 □	መ∕ ከ51 በላይ <u></u>
2. 8少	
ሀ/ ወንድ	ለ/ ሴት 🗌
3. የትምህርት መረጃ	
ሀ/ 12ኛ ክፍል ያጠናቀቀ 🗌	ለ / ሥር ተፊኬት 🔲
ሐ/ ዲፕሎማ 🗌	መ/ ሁለተኛ ዲግሪና ከዚያ በላይ 🗌
4. የስራ ዓይነት	
ሀ / ተቀጣሪ 🔲	ለ/ ተሜሪ 🗌
ሐ/ የግል ስራ 🗌	መ/ የህዝብ አገልባሎት 🗌
<i>ພ</i> / ሌላ ካለ ይ <i>ግለፁ</i>	

# II. ከጥናቱ ጋር ተያያዥነት ያላቸው ቃለ *ማ*ጠይቆች

5. ከንባድ መርከብ ላይ የንባድ ባንኙነት

ሀ/ አስማጪ
6. ከኢትዮጵያ ንግድ መርከብ ላይ በንግድ ስራ የሰሩበት ዓመታት ብዛት
ሀ/ ከ4 ዓመት ያነሰ 🗌 💮 ለ/ ከ4 – 9 ዓመት 🔲
ሐ/ h10 – 15 ዓመታት 🔲 መ/ 16 ዓመት እና ከዚያ በላይ 🗌
7. የኢትዮጵያ ንግድ መርከብ በደንበኞች ላይ አሉታዊ እይታ ለመፍጠር የሚያደርገው ጥረት ም
ያህል ነው ይላሉ?
ሀ/ በጣም ክፍተኛ 🗌 ለ/ ክፍተኛ 🗌 ሐ/ መካከለኛ 🗌
መ/ ዝቅተኛ 🔲 መ/ በጣም ዝቅተኛ 🗌
8. የኢትዮጵያ ንግድ መርከብ ከደንበኞች ጋር አጢቃላይ የጋራ ግዢ ለመፍጠር ይሰራል
ሀ/ በጣም እስማማበቃለሁ 🗌 ለ/ እስማማበቃለሁ 🗌
ሐ/ አልስማማበትም 🔲             መ/ ገለልተኛ 🔲
υ/ በጣም እቃወ <b>ማ</b> ለሁ □
9. የንባድ መርከብ ከህዝብ ሚዲያዎች ለምሳሌ ቴሌቪዥን፣ ሬድዮ፣ ጋዜጣ ወዘተ ያለውን ግንኙነ
እንዴት ይንልጹታል
ሀ/ በጣም ክፍተኛ 🔲 ለ/ ክፍተኛ 🔲 ሐ/ መካከለኛ 🗌
መ/ ዝቅተኛ 🗌
10. የንባድ መርከብ መረጃዎች ለማካኘት እንዲሁም ከደንበኞች ጋር በቀጣይነት ግንኙነት ለፍጠር
በቂ የ <i>መና</i> ኛ ዘዴዎች ይጠቀ <b>ማ</b> ል
ሀ/ በከፍተኛ ደረጃ እስማማበታለሁ 🗌 ለ/ እስማማበታለሁ 🗌
ሐ/ አልስማማበትም 🗌               ወ/ በሁለቱም የለሁብትም 📗
w/ በፕብቅ እ <i>ቃ</i> ወማለሁ 🗌
11. ንግድ መርከብ ከደንበኞች <i>ጋር በግንኙነት</i> ላይ ችግር አለበት ብለው ያምናሉን
ሀ / አዎ 🗍 ለ / አይደለም 🗍
· · · · · · · · · · · · · · · · · · ·

12. ከዚህ በላይ ለተጠየቀው ጥያቄ <i>መ</i> ልስዎ አዎ ከሆነ እባክዎትን የችግሩን እይታ ይለዩ 
13. ንግድ መርከብ ከሠራተኞቹ ጋር የተሳካ ግንኙነት ይኖር ዘንድ ሁኔታዎች ለማመቻቸ የሚያደርገው ጥረት ምን ያህል ነው
υ/ በጣም ክፍተኛ
14. የድርጅቱን የደንበኛ አያያዝ ስርዓት እንዴት ይመዝናል  ሀ/ በጣም ፕሩ
15. የንግድ መርከብ ስለማልጠው አገልግሎት በሚመለከት መረጃ አሰጣጥ ላይ የሚያደርገው ጥረ፡ ምን ያህል ይጠቅማል
16. የንግድ መርከብ የደንበኛ አያያዝ ስርዓት በማርኬቲንግ ደንበኛ ግንኙነት ቴክኖሎጂ ም ያህል ይጠቅማል
υ / በጣም ክፍተኛ
17. ጥቅም ላይ እየዋለ ያለውን የደንበኛ አያያዝ ስርዓት ደስተኛ ኖት ለኩባንያው ይጠቅጣ ብለው ያስባሉ ያምናሉ
ሀ/ አዎ ለ/ አይደለም 18. ለጥያቄ 17 መልስዎ አይደለም ከሆነ ያለውን ጉዳት ይዘርዝሩ
19. የደንበኛ በፍላጎት ምን ያህል አትኩሮት ይሰጥበታል
ሀ/ በፍጹም 🔲 ለ/ ሁል ጊዜ 🗍 ሐ/ አልፎ አልፎ

<i>a</i> p/	መካከለኛ 🗌 ፡፡/ ሌላ ካለ ይዘርዝሩ
	በንግድ መርከብ ኩባንያ የደንበኛ አያያዝ አይተው ያወቃሉ አዎ 🔲 ሰ/ አይደለም 🔲
21.	የኢትዮጵያ ንግድ <i>ማ</i> ርከብ እና የሎጂስቲክ አገልግሎት ድርጅት የደንበኛ አያያዝ ስርዓ ያለዎትን አጢቃላይ አስተያየት ምንድነው
22.	በድርጅቱ የደንበኛ አያያዝ ስርዓት አፈፃፀም ዙሪያ እንደትልቅ ችግር የተ <b>ጣ</b> ለከቷቸው ቢንልፁ

# St. Mary's University College Business Faculty Department of Marketing Management

Appendices B
Interview Question
Question to be filled by Manager

This interview is prepared by the student researcher of St. Mary's University College for the partial fulfillment of BA Degree on marketing management. This aimed to evaluate the customer relation management practice of the company. All information will be kept it confidential and the result of the study will be used only for academic purpose. Believing of that your reliable and honest answers will greatly contribution to successes of the paper. Finally the student researcher wants to thinks for your kind cooperation.

The following equations is provided to the management of the company

- 1. Would you tell me about the overall customer relation management practice of your company?
- 2. What kind of factors did you considers while selecting customers?
- 3. What kind of practice did your company possess in selecting customer relation management budget?
- 4. Would you mention challenges that most of the time faced by the company in relation to customer relation management?
- 5. What are the most occurred problem in your company customer relation practice?
- 6. How do you see your company customer relation management?
- 7. Does the company offers any training to the employers regarding to customer relation management?

#### **DECLARATION**

We, the undersigned, declare that this senior essay/project is my original work, prepared under the guidance of W/o Helina Mohamed. All source of materials used for the manuscript have been dully acknowledged.

NAME SIGNATURE

SEYUM SURAFEL		
PLACE OF SUBMISSION		
DATE OF SUBMISSION		
SUBMISSION APPROVAL SHEET		
This paper has been submitted for examination with my approval as an advisor.		
NAME:		
SIGNATURE:		
DATE:		