THE EFFECT OF MARKETING MIX ELEMENTS ON CUSTOMER SATISFACTION (THE CASE OF BMET CABLE INDUSTRY)

BY

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ADDIS ABABA, ETHIOPIA
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Acronyms

BMET- Bmet energy telecom industry and trade plc
Cat 6- category 6
CU- customer
F- Frequency
Four Cs’- customer solution, customer cost, convenience and communication
Four Ps’- product, price, place and promotion
Max- maximum
Min- minimum
OLS- ordinary least square
P (%) - percentage
PLC- product life cycle
R&D- research and development
RJ 6- coaxial cable
Sta. deviation- standard deviation
ABSTRACT

The main objective of this study is to investigate the effect of marketing mix elements on customer satisfaction. The research will analysis the effect of each marketing mix elements and used descriptive type of research. Data were collected through a five points Likert scales of questionnaire. The questionnaire was physically distributed to 119 customers and 106 customers were completed the given questionnaire and it’s collected. Descriptive, statistical and econometric analysis methods were used to analyze the collected data. Descriptive tools such as frequency, percentages, mean and standard deviation were employed to present results. Statistical analysis tool such as correlation coefficients was worked out and used to explore the relationships between variables. Econometric analysis through ordered least square was performed to study the effect of explanatory variables on customer satisfaction. Research findings indicate that there is a significant relationship between marketing mix elements including product, price, place and promotion on customer satisfaction results showed that only price had a negative relation with customer satisfaction and promotion with small positive magnitude. Therefore, based on the findings the researcher has recommended that the company specially should adjust its pricing strategy by focusing on internal and external factors that affect pricing decision and also it should adjust promotion strategy.

Keywords: Marketing mix, product, price, place, promotion and customer satisfaction
CHAPTER ONE
Introduction

1.1 Background of the Study

Modern marketing is “a social and managerial process whereby individuals and groups obtain what they need and want through creating and exchanging products and value with others’ (Kotler, Armstrong, Saundra and Veronica, 1999)

And now a day, the marketing competition in any sector becomes high and due to the continuous and rapid change and also dramatic innovation in the information technology the business environment becomes too dynamic.

Marketing is changing to meet the changing world. Marketing remains the business activity that identifies an organization's customer needs and wants, determines which target markets it can serve best and designs appropriate products, services and programs to serve these markets. However, marketing is much more than an isolated business function - it is a philosophy that guides the entire organization. The goal of marketing is to create customer satisfaction profitably by building valued relationships with customers(Kotler, P.et.al, 1999).

Related to this, Marketing opportunities are grounded on identification of customer wants and needs, an understanding of how customers make buying decisions, how they use the goods and services they buy, and their level of commitment to current brands (Anderson, H. &Vince, J. 2000). Hence, to survive and to get the customer satisfaction it’s important to focus on the marketing strategy and on those determinantsof marketing mix elements.

It’s every business organization goal to achieve more profit, more market share and survival, and the marketers were forced to study about marketing mix for the targeted consumer expectation, perception, preferences, brand awareness and behavior in order to understand consumer satisfaction.

The marketing mix was first developed by McCarthey over 40 years ago. It was designed to suggest that you should have a balanced mix of marketing activities within your marketing plan.
It is a planned mix of the controllable elements known as a “mix” because each ingredient affects
the other and the mix must overall be suitable to the target customer (Littler and Wilson, 1995).

Marketing mix is the set of marketing tools that the firm uses to pursue its marketing objective in
the target market. To do so, the elements of marketing mix (product, price, promotion and place)
serve as the most crucial tools for meeting the company’s objective together with satisfying
customers through effective utilization of them and since, marketers can control the
variables(Kotler, P. 2000).

Along with consumer products which need extensive marketing mix strategy, industrial products
too prerequisites effective marketing mix strategy. In the case of our country, due the emerging
development especially in the construction sector the computation between the product supplier
companies become too tight. Therefore the companies were focusing in developing new products
based on the consumer necessity and arranging effective marketing strategy in order to compute
in the market.

Bmet energy telecom industry also one of the emerging industry in the cable manufacturing
sector, focusing on developing new products in the country in order to meet the sectors need and
to compute with the imported similar items and involved in the production of power and
Communication Cables: Such as High, Medium and Low Voltage Cables with Copper and
Aluminum conductors. Communication cables, such as Fiber Optics Cable, Copper Telecom
Cables, and Coaxial Cables, Category 6, Drop Wires and jumper wire with different sizes. Even
though there was no efficient local competitor specially regarding to communication cable but
it’s important for the company to have effective marketing strategies.

Generally, Organization should analyze customer needs, preference and behaviors with respect
to product design, pricing, distribution and promotion. Because, marketing effort is not a single
function rather a combination of many different activities undertaken by a firm to market its
products (Clark, H. 2007)
1.2 Statement of the problem

Marketing is about identifying and meeting human and social needs. One of the shortest good definitions of marketing is “meeting needs profitably” (Kotler, P. & Keller, K. 2012). And they supposed, we can think of marketing as the identification, creation, communication, delivery, and monitoring of customer value and satisfaction which reflects a person’s judgment of a product’s perceived performance in relationship to expectations.

Marketers must know about their target consumers, their wants and preferences and then construct the mix elements in the appropriate way to formulate better marketing strategies and plans to satisfy the target consumers. And for achieving goal, the marketer should control over these marketing mix elements (Niharika, 2015).

In related to this, an effective marketing mix is the one which offers a product that solves the problems of customer problem, that is of low cost to the customer, that effectively communicates the benefits, and that can be purchased with the utmost convenience (Michael, J. 2003)

As most of business entities were concerned with the customer satisfaction, and then it’s crucial for them to assess the effect of marketing mix elements. Regarding to BMET cable, even though there was good development and high market share on the energy product line but concerning to communication cable based on the observed points and collected customer complaints there was less development and declined market share and some dissatisfaction rates.

Consequently, it’s very decisive for the company to adjust their marketing strategy based on the review of the level of customer satisfaction on the product line. Hence, the effect of marketing mix elements had a big impact on the customer satisfaction of every sector. Therefore, the research assessed and measures the effect of the major and controllable elements of marketing mix elements effect separately to understand the gap on the customer satisfaction of Bmet cable.

In addition to this, the research was show the relationship between marketing mix elements and customer satisfaction and also the major product decision elements effect on the customer’s satisfaction.
To the extent that, most of the researchers were not concerned on marketing mix and only limited studies has been published on marketing mix elements and customer satisfaction in manufacturing industries of Ethiopia to notify stakeholders, the industry regulator and all other related parties, so it will fill some gaps in the area.

### 1.3 Research Question

The research questions point out those important questions that the research wants to answer deeply. All questions are developed to support the research objectives and to give more clarification on the subject.

- At what level does the customers are satisfied by the product feature, price of the product, the distribution way and promotion of the company?
- Which product decision elements are more significant for customer satisfaction?
- What types of relationship exist between marketing mix element and customer satisfaction?

Therefore, by answering the above questions the research was able to better understand the effect of those marketing mix elements on the customer satisfaction.

### 1.4 Objective of the Study

The major objective of the research was to assess the effect of marketing mix on customer satisfaction regarding to communication cable.

#### 1.3.1 Specific objective

Based on the major objectives, the study was specifically examined each marketing mix elements with the correspondent dependent variable:

- To evaluate the effect of product on customer satisfaction
- To examine the influence of price on customer satisfaction
- To investigate the effect of distribution on customer satisfaction
- To assess the significance of promotion on customer satisfaction
- To understand the significant product decision elements for customer satisfaction
- To understand the relationship between marketing mix and customer satisfaction
1.5 **Significance of the study**

The research mainly focused to comprehend the effect of major marketing mix elements on the customer satisfaction, but considering only communication cable products of BMET energy telecom industry and trade plc. Therefore, majorly the research has a significant impact for the company decision makers to understand the effect of their product, price, place and promotion on the customers and that helps to detect and solve those problematic elements and to retain valuable situations for another product line of the company. In addition to this, the research has significant role for:

- Another manufacturing company, especially for those manufacturing industries in line with similar cable manufacturing business to evaluate their marketing strategy effect.
- For another researchers
  - Because of the limited research works in the area the study will help the researchers to examine another industries regarding to those measurement elements
- For government agencies- especially for investment agency, industry ministers and at large for policy makers and regulator’s the study shows the path to focus on customer satisfaction policies and regulations as amajor point in order to increase the existing industries capacity and to escalate the entering industries as a whole.
- Besides this, the study helps me to understand the major points regarding to customer satisfaction in the area and in general to increase my capacity related to research works.

1.6 **Scope of the study**

- The research was focus on marketing mix elements of the firm (product, price, place and promotion) and measuring the customer’s satisfaction.
- The research aim was to understand customer satisfaction only
- The study was emphasized in the investigation of communication cable of Bmet and customers were the target focus of the research study.
- The research used primary and secondary source as a base of information. The primary source was collected from the distributed questioners of the customers. Secondary data was collected from the company data base, R&D works of the company and other journal, articles and website source. And also the study used descriptive and inferential analysis to analyze the survey data.

- The study was examined only those customers who purchase the Bmet communication cable products located only in Addis Ababa, Ethiopia.

1.7 Limitation of the study

The study covers customer satisfaction limited to communication cables customers only because it will be challenging to study the satisfaction of energy cable customers due to large customer size and different product dimension.

They study doesn’t also include those government companies which purchase a product from the company. Hence, governmental companies needed separate analysis and different mechanism to asses’ customer satisfaction.

Another limitation of the study was that, it doesn’t include those customers which are out Addis Ababa (like Kenya, Djibouti and Somaliland and also Diredawa and Mekelle customers) and due the capacity related to time and finance.
1.8 Organization of the Study

The study consists of 5 chapters. Chapter one is the introduction chapter which presents background of the study, statement of the problem, research question, objectives of the study, significance of the study, scope and limitation of the study which will give mandatory introduction to the research which will be conducted. The second chapter deals with review of different related literatures regarding the topic of the study which help us to have a concrete view in the matter of the study. The third chapter discusses research methodology and methods which will be implemented by the current study. The fourth chapter will focus on analysis of the study and the fifth chapters will emphasis on conclusion and recommendation.
CHAPTER TWO

Review of Related Literature

2.1. Marketing Mix

As McCarthy (1964) suggests that, managing the marketing mix is the central task of marketing professionals. The marketing mix is the set of marketing tools – often summarized as the ‘four Ps’: the product, its price, promotion and place – that the firm uses to achieve its objectives in its target market (cited in Michael, 2003). Most of the scholars agreed that, each firm strives to build up such a composition of 4‘P’s, which can create highest level of consumer satisfaction and at the same time meet its organizational objectives,

In related to this, Most marketing professionals the marketing mix is designed to meet those customer needs and wants. Each element of the mix is designed to meet a customer need (Lauterborn, B. 1990)

Accordingly marketing mix is the set of marketing tools that the firm uses to pursue its marketing objectives in the target market. And also Kotler said, marketing mix is the set of controllable variables (product, price, place (distribution) and promotion) that the firm can use to influence the buyer’s response. The marketer should focus on each elements goal and strategy in order to influence the consumers and to reach high level of customer satisfaction (Kotler, P. 2000)

Marketers should targets their market for blending the mix elements. Firstly, marketers must know about their target consumers, their wants and preferences and then construct the mix elements in the appropriate way to formulate better marketing strategies and plans to satisfy the target consumers. For achieving goal, the marketer should control over these marketing mix elements to work in the changing environment i.e., internal and external (Niharika, 2015).
According to Michael, J (2003) the marketing mix elements and their major attributes are:

Figure 2.1 marketing mix elements and attributes

Source: Adapted from Michael, J

Most marketing professionals would answer that the right marketing mix is the one that maximizes customer satisfaction and results in the highest sales or market share. Each element of the mix is designed to meet a customer need. As Lauterborn, B. suggested that the sellers’ four Ps with the function to match correspondent customers need, which can be grouped into four Cs (cited in Kotler, 2015)

**Four Ps Four Cs**

- Product → Customer solution
- Price → Customer cost
- Place → Convenience
- Promotion → Communication
Winning companies are those that meet customer needs economically and conveniently and with effective communication.

2.1.1. Product

Product is anything that offered to a market for attention, acquisition, use or consumption and that might satisfy a want or need. Products include more than just tangible goods. Broadly defined, products include physical objects, services, persons, places, organizations, ideas or mixes of these entities. Meanwhile, one of the basic functions of marketing is that developing products and services that will meet legitimate customer (consumer) needs, then consumers are buying more than a set of tangible attributes (Kotler, p. et.al, 1999)

According to Marilyn, A. &John, D. (2007) the product is at the heart of the marketing exchange. If the product fails to deliver to customer expectations then all has been in vain.

A product is more than a simple set of tangible features. Consumers tend to see products as complex bundles of benefits that satisfy their needs. Marilyn, A. & John D. (2007) the basic anatomy of a product may be represented as a series of four bands representing the core product, the tangible product, the augmented product and the potential product.

- **The core product:** represents the central meaning of the product and conveys its essence. This is centrally related to the key benefits expected by customers.

- **The tangible product:** is related to the core product to the extent that it places flesh on the bones of the former.

- **The augmented product:** includes those add-on extras which are not an intrinsic part of the product but which may be used to enhance the product benefits.

- **The potential product:** constitutes a vision of what it could be in the future, while the first three layers describe how the product is now

Also according to Kotler, now a day when developing products, marketers must first identify the core consumer needs that the product will satisfy, then design the actual product and finally find ways to augment it in order to create the bundle of benefits that will best satisfy consumers.
2.1.1.1. Product Decision Elements

In the development and marketing of individual products or service the consumers consider product decision elements. Accordingly, Product purchase decision focusing on the major elements (Kotler, P. etal. 1999)

- **Product attributes**: Decisions about attributes are particularly important as they greatly affect consumer reactions to a product. Tangible product attributes, such as quality, features and design.
  - **Product quality**: stands for the ability of a product to perform its functions, it includes the product's overall durability, reliability, precision, ease of operation and repair, and other valued attributes. From a marketing point of view, quality should be measured in terms of buyers' perceptions.
  - **Product feature**: Features are a competitive tool for differentiating the company's product from competitors' products by adding higher-level models or features which add value for customer.
  - **Product design and style**: contributes to a product's usefulness as well as to its looks. And also creates products that are easy, safe, inexpensive to use and service, and simple and economical to produce and distribute.

- **Branding**: a brand is a name, term, sign, symbol, design or a combination of these elements that identifies the product or services of one seller and differentiates them from those of competitors. Now a day, people do not buy a product- they buy a brand.

- **Packaging**: Packaging includes the activities of designing and producing the container or wrapper for a product. Packaging performs a vital function for most products. In recent times, many factors have made packaging an important marketing tool. An increase in self-service means that packages must now perform many sales tasks - from attracting attention, to describing the product, to making the sale.

- **Labelling**: the label describes who made it, where and when it was made, the contents, how it is to be used etc. and its most straightforward function is to identify the product or the brand.
- **Mid product-support services**: Customer service is another element of product strategy, a company's offer to the marketplace usually includes some services, which can be a minor or a major part of the total offer. In fact, the offer can range from a pure good on the one hand to a pure service on the other.

### 2.1.2 Price

As Marilyn A. & John D. (2007) define: The price of a product or service will determine how consumers perceive it, reflect on its brand positioning, influence the choice of marketing channel, affect how it is promoted and have an impact on the level of customer service expected by target customers. The price ingredient of the marketing mix will also affect the viability of the supplying organization.

Price is the only element in the marketing mix that produces revenue; all other elements represent costs. Price is also one of the most flexibly elements of the marketing mix. Unlike product features and channel commitments, price can be changed quickly (Kotler, P. et. al. 1999). Although, that pricing decisions are the most difficult to make because of the complexity of the interaction between three groups involved in the marketing process: consumers, the trade and competitors in addition to that the nature and structure of the competition; the product life cycle (PLC); the legal considerations (Marilyn A. & John D., 2007).

#### 2.1.2.1 Factors considered in pricing decision

A company's pricing decisions are affected both by internal company factors and external environmental factors (Kotler, P. et. al., 1999).

**Internal Factors Affecting Pricing Decisions**

Internal factors affecting pricing include the company's marketing objectives, marketing-mix strategy, costs and organization.

- Marketing objective
- Marketing mix strategy
- Cost
- Organizational consideration
External factors affecting pricing decision

External factors that affect pricing decisions include the nature of the market and demand, competition and other environmental elements

- market and demand,
- competition and
- other environmental elements

2.1.2.2 Price Setting

Even though there are different price setting methods but most of scholars are agreed on three common pricing approaches that are available to the marketer include: cost-based pricing; demand-based pricing; competition oriented pricing;

Cost – Based Pricing

In setting a price normally it is advisable to cover all relevant costs. Costs for this purpose may be divided into two categories, fixed and variable costs. Taken together with price, these may be used to calculate the break-even quantity (fixed costs divided by price less variable cost per unit).

Demand – Based pricing

Demand-based pricing looks outwards from the production line and focuses on customers and their responsiveness to different price levels. Demand-based pricing allows the price to go up when demand is strong and, vice versa, for the price to go down when demand is weak.

Competition – Based pricing

This method involves setting prices on the basis of what competitors are charging. Once the firm identifies its competitors, it conducts a competitive evaluation of its product. Competitive factors that must be considered include

- The ‘market price’ charged by the market leader.
- Price sensitivity.
- Market position.
- Product differentiation.
- The type of competition, i.e. whether this is monopoly or oligopoly. Trade becomes more sophisticated, the services of various intermediaries along the supply chain may need to be used to ensure that the goods or services reach the consumer in the right manner at the right
place, time and price. It is the process of moving goods and services through these intermediaries to reach the end user.

2.1.3 Place (Distribution)

Distribution involves planning, implementing, and controlling the physical flows of materials and final goods from points of origin to points of use to meet customer needs at a profit (Engle, 2009). And according to Marilyn A. & John D. (2007) Trade becomes more sophisticated, the services of various intermediaries along the supply chain may need to be used to ensure that the goods or services reach the consumer in the right manner at the right place, time and price. It is the process of moving goods and services through these intermediaries to reach the end user.

Distribution determine how well target customers gain access to the firm's product or service and whether the distribution channel system is cost effective for the organization concerned (Kotler, P. et al., 1999). The channels of distribution used within the market place have evolved to match the needs of the users of these services and they continue to be adapted to meet those needs. The objective is to move the goods or services efficiently, with the lowest possible number of intermediaries between the producer and the end user or retailers.

2.1.3.1 Constraints of Distribution

According to Marilyn A. & John D. (2007) a number of factors affect the nature of the supply chain that evolves to suit the needs of the producer and to meet customer demand.

- **Customer Characteristics**
  - **Number:** The number of customers that a producer targets influences the selection of the intermediaries which used within the supply channel.
• **Geographical dispersion**: As the geographical distance between the supplier and the consumer increases, the process of moving the goods within the supply chain becomes more complex.

• **Purchasing pattern**: Customers vary in the frequency with which they shop and the volumes of products that they purchase, so that some customers purchase small quantities of products frequently, while others purchase larger quantities of the same products but on a less frequent schedule.

**Buyer’s susceptibility to different selling methods**
Customers may prefer one form of sales approach to another and not all customers have the same preferences.

**Product characteristics**
The product characteristics will influence the choice of the channels of distribution to be used.

• Perishability: Products have differing degrees of perishability that influence the type of storage and warehousing required and the distance that such products can be moved.

• Bulk

• Product standardization

• Service Support Requirement

• Unit Value

**Company characteristics**

• Size of the Company

• Product Mix

• Past Channel Mix Experience

**2.1.4 Promotion**
Now a day treatment of the promotional mix, which its advocates call ‘integrated marketing communications’, may well result in the permanent replacement of ‘promotion’ (Mickael, J. 2003)
Marketing communication includes all the identifiable efforts on the part of the seller that are intended to help persuade buyers to accept the seller's message and store it in retrievable form (John, B., 2008).

In related to this, Marilyn A. & John D. (2007): the scope of marketing communications is immense, including all advertising, sales promotions, personal selling, Internet marketing and media relations. Any form of paid-for communication may be viewed as a marketing communication.

Although the definitions vary, the four components that make up marketing communication are as follows: (John, B., 2008).

1. **Advertising**: Any paid form of non-personal presentation of ideas, goods, or services by an identified sponsor. Although some advertising is directed to specific individuals (as, for example, in the use of direct mail), most advertising messages are tailored to a group, and employ mass media such as radio, television, newspaper, and magazines.

2. **Personal selling**: An oral presentation in a conversation with one or more prospective purchasers for the purpose of making sales. It includes several different forms, such as sales calls by a field representative (field selling), assistance by a sales clerk (retail selling), having an Avon representative call at your home (door-to-door selling), and so forth.

3. **Public relations**: A non-personal stimulation of demand for a product, service, or business unit by planting commercially significant news about it in a published medium (i.e., publicity) or obtaining favorable presentation of it through vehicles not paid for by the sponsor. Although commissions are not paid to the various media, there are salaries and other expenses that mean public relations are not a costless form of promotion.

4. **Sales promotion**: Those marketing activities that add to the basic value of the product for a limited time period and thus directly stimulate consumer purchasing and dealer effectiveness. These activities include displays, shows and exhibitions, demonstrations, and various nonrecurring selling efforts not in the ordinary routine. As the provision for an
additional incentive to buy, these tools can be directed at consumers, the trade, or the manufacturers own sales force.

2.2. Customer Satisfaction and Measurement

Customer satisfaction with a purchase depends upon the product's performance relative to a buyer's expectations; a customer might experience various degrees of satisfaction. If the product's performance falls short of expectations, the customer is dissatisfied. If performance matches expectations, the customer is satisfied. If performance exceeds expectations, the customer is highly satisfied or delighted (Kotler, P. et al. 1999)

In addition to this, they elaborated that expectations are based on the customer's past buying experiences, the opinions of friends and associates, and marketer and competitor information and promises.

Regarding consumer satisfaction three general components can be identified: 1. Consumer satisfaction is a response (emotional or cognitive) 2. The response pertains to a particular focus (expectations, product, consumption experience, etc.) and 3. The response occurs at a particular time (after consumption, after choice, based on accumulated experience, etc.) (Joan L. & Joseph A. 2002)

Leon, G. & Lesile, L. (2007) Customer Satisfaction measurement includes qualitative and quantitative measures, as well as a variety of contacts methods with the customers. Customer satisfaction surveys measure how satisfied the customers are with relevant attributes of the product or service, and relative importance of these attributes (using attribute scale). Generally, these surveys use 5-point semantic differential scales ranging from “very dissatisfied” to “very satisfied”. Research shows that customers who indicate they are very satisfied (typically a score of 5 on the satisfaction scale) are much more profitable and loyal than customers who indicate that they are satisfied (a score of 4).

Consequently, through satisfying customers, organizations could improve profitability by expanding their business and gaining a higher market share as well as repeat and referral business (Elliott, K. & Shin, D. 2001)
2.2.1 Kano model on customer satisfaction

The Kano model is a theoretical model that connects the requirements fulfilled by products or services with customer satisfaction and developed a powerful technique to address these questions: How does a company analyze customer needs? How can it easily determine what delights customers or what their basic needs are?

The Kano model was developed by Professor Noriaki Kano of Tokyo Rika University, and his colleagues and the model addresses three types of requirements. https://www.isixsigma.com/tools-templates/kano-analysis/kano-analysis-customer-needs-are-ever-changing.

- Satisfying basic needs: Allows a company to get into the market.
  - Dissatisfies or Basic Needs (Must be) – Expected features or characteristics of a product or service (legible forms, correctly spelled name, and basic functionality). These needs are typically “unspoken.” If these needs are not fulfilled, the customer will be extremely dissatisfied.

- Satisfying performance needs: Allows a company to remain in the market.
  - Satisfiers or Performance Needs (one dimensional) – Standard characteristics that increase or decrease satisfaction by their degree (cost/price, ease of use, speed). These needs are typically “spoken.”

- Satisfying excitement needs: Allows a company to excel, to be world class.
  - Delighters or Excitement Needs – Unexpected features or characteristics that impress customers and earn the company “extra credit.” These needs also are typically “unspoken.”
2.3 Empirical Studies

Some research works are done related to marketing mix elements and customer satisfaction but most of the researchers are engaged in the analysis of customer satisfaction and service quality rather than marketing mix.

2.3.1 Others Research Work

Zelalem, A. (2011) studied Assessment of Marketing Mix in Prompting Customer Satisfaction (A case study on the National Alcohol and Liquors Factory). In the research the total sample of 80 whole sellers and retailers selected using purposive sampling and out of the total sample 76 customers returned a completely filled questionnaires’ therefore the analysis and conclusion was done using 76 customers.
The study found that, the overall level of customer satisfaction with regard to the product of the factory is positive. Majority of the respondents (76.32%) respond that customers are satisfied with the products. Only 23.68% of them say that the level of customer satisfaction is in poor and very poor manner (dissatisfied). Regarding to the price of the factory is negative. 63.16% of the respondents are dissatisfied in the pricing practices. However, 36.84% of they are satisfied.

Majority of the respondents are dissatisfied with the communication efforts to build and maintain good public image and relationship with customers and the public. In assessing the satisfaction of customers with the distribution system, majority of the respondents (62.62%) are satisfied on other hand 36.38% of them are dissatisfied with the distribution of the factory products

The study concludes that, customers are satisfied with the quality of the products and the distribution (place) systems of the factory yet they are not satisfied with the price and that of the promotional practices of the factory. And the researcher recommended that, the National Alcohol and Liquors Factory should effectively manipulate these marketing mix elements for they strongly determine the long run survival of the factories.

Mohamed, I. & Ahmed, R. (2016) impact of marketing mix on customer satisfaction towards laptop industry. In the research 100 undergraduates from South Eastern University of Sri Lanka was taken as sample for the study.

And the research conclude that, the correlation result shows product, price, place, and promotion have relationship with satisfaction with values are 0.490, 0.466, 0.643 and 0.588 respectively. Results of the regression exposed that values of R square and adjusted R square are 0.539 and 0.520 respectively. This proves that marketing mix such as product; price, place and promotion explain 50% of the variation on customer satisfaction.
2.4 Conceptual Framework

The major variables of this study were market mix elements (independent variable) and customer satisfaction (dependent variable). The focus of this study was Bmet cable factory and center of attention on communication cable products. Thus, the research includes all major marketing mix elements in terms of product, price, place and promotion. As a result, a conceptual framework was developed to illustrate the key variables and their relationship with customer satisfaction.

Figure 2.3: Marketing mix and customer satisfaction

As depicted in the shape, the study focuses on analyzing each major elements of marketing mix effect on customer satisfaction. And also, the study is conducted in order to obtain which element is significantly influence the satisfaction of the customers.
Chapter Three

Research Methodology

3.1. Research Design

Descriptive research involves gathering data that describe events and then organizes, tabulates, depicts, and describes the data collection (Glass & Hopkins, 1984) and the study used descriptive research design in order to pronounce about the effect of marketing mix on customer satisfaction. Based on the survey method of descriptive research, the study used quantitative and inductive research by focusing on one product line (communication cable) to all products of the firm and other similar type industry sector products. Because, the study was begins from direct observation of the researcher about the dissatisfaction of the customers and considering marketing elements will have a major impact for dissatisfaction. The study engaged to use more of quantitative case study method to answer the research questions.

The study was undertook quantitative approach using the customer of the company as a respondent of the questionnaires in order to examine the effect of marketing mix elements on the customer satisfaction.

3.2 Data Sources

3.2.1 Primary Sources of data

The study use a structured questionnaire by taking into account all the dimensions of marketing mix elements product, price, place and promotion and also the product purchase decision elements of the Bmet cable customers.

3.2.2 Secondary Sources of data

The study was based on the information of the company database about the customers list and the collected customer compliant data of the company (because the company collects complains of the customer more than 3 times).
In addition to this, the research used the information from various books, articles, journals and from investment agency and industry minister supportive data will collect to make the research more reliable. Secondary information will be also refer from various websites.

### 3.3 Target population

The target population for the study comprised all communication cable customers of BMET energy telecom industry but only five customers were excluded for being a part of a sample from the population because of their location which is out of the research scope Addis Ababa (Kenya, Djibouti and Somalia land and two of them from Dire Dawa and Mekelle). And in addition to that, the study focused only at private retailer and distributor companies, so three governmental companies were excluded on the study because they need separate analysis and different mechanism to assess about the governmental companies’ customer satisfaction. Out of this, all customers who purchase communication cable at least once from the company were included as a sample.

#### 3.3.1 Sampling size and Sampling Technique

The total populations of the study were 127 but using purposive sampling method 5 customers excluded because of their location and 3 others because of the type of business. Out of those customers, the study took all the remaining 119 population as a sample and 58 of them private organization and 61 of them private end users. Due to the small size of the population the researcher uses census which is a study of every unit, everyone or everything in a population. It is known as a complete enumeration, which means a complete count of all 119 populations as a sample based on the company database from 2014-2017 end.

### 3.4 Questionnaire Design

A questionnaire was developed to measure the effect of marketing mix on customer satisfaction in BMET energy telecom industry and trade plc. And structured questionnaire was used to get detail information about the customers.
The questionnaire was divided into two sections, which cover the dependent and independent variables of the research. The first part contained the demographic details like: age, position and purchase frequency. The second part contained questions which compile marketing mix elements on customer satisfaction and also questions regarding to product purchase decision elements.

### 3.5 Data Analysis Techniques

The study used case study statistical analysis approach which used to look at the data collected and to describe the information presented about a profile of the respondents. In the analysis part, the data obtained from the survey and captured and analyzed using the (Stata 13). And the research used descriptive statistics like mean, frequency, percentage and others and also the research applied, Pearson correlation test to know the degree of relationship between the independent variable (marketing mix) and the dependent variable (customer satisfaction), after the correlation analysis the study use regression analysis to know “how much each independent variable explains the dependent variable”. It will also use to understand the relation between marketing mix and customer satisfaction.
CHAPTER FOUR  
RESULTS AND DISCUSSION

This chapter has attempted to answer basic research questions raised in chapter one by thoroughly analyzing and discussing quantitative data after collecting data by questionnaire from customers. This chapter was composed of four major sections. 4.1 discusses about profile of the respondents section 4.2 discussions about descriptive statistics and the inferential statistics regarding marketing mix elements and customer satisfaction (correlation and regression) analysis and section 4.3 analysis on product purchase elements quantitative data analysis. The data were collected from retailers and distributor customers at Addis Ababa. Then the researcher distributed 119 questionnaires for total population of the study. And finally 109 questionnaires were collected back but three of them were not complete. So, 106 around 89% responses had entered into Stata 13 window for the statistical analysis. The questionnaire validity was evaluated early by different respondents, distinguished advisor and friends under the same field of study. They responded that the contents included in the questionnaire were good and easy to understand besides they forwarded constructive suggestions for improvement.

4.1 Background Information about Respondents

This sections that follow present profile of respondents’ like: Age, work position, frequency of purchase and types of product purchase at Bmet cable. Table 4.1 Demographic information of the respondents

<table>
<thead>
<tr>
<th>Age</th>
<th>21-30 years</th>
<th>31-40 years</th>
<th>41-50 years</th>
<th>51 and above</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
<td>Percentage</td>
<td>Frequency</td>
<td>Percentage</td>
</tr>
<tr>
<td>21-30 years</td>
<td>8</td>
<td>7.55</td>
<td>24</td>
<td>22.64</td>
</tr>
<tr>
<td>Work position</td>
<td>Owner</td>
<td>Managerial level</td>
<td>Employee</td>
<td>Others</td>
</tr>
<tr>
<td></td>
<td>Frequency</td>
<td>Percentage</td>
<td>Frequency</td>
<td>Percentage</td>
</tr>
<tr>
<td>27</td>
<td>25.47</td>
<td>33</td>
<td>31.13</td>
<td>35</td>
</tr>
<tr>
<td>Time of purchase</td>
<td>1 time</td>
<td>2-5 times</td>
<td>6-10 times</td>
<td>More than 10 times</td>
</tr>
<tr>
<td></td>
<td>Frequency</td>
<td>Percentage</td>
<td>Frequency</td>
<td>Percentage</td>
</tr>
<tr>
<td>8</td>
<td>7.55</td>
<td>40</td>
<td>37.74</td>
<td>40</td>
</tr>
</tbody>
</table>

Source: Stata descriptive analysis result based on questionnaire survey, 2018
According to the survey taken from 106 customers, in terms of age 7.55% of survey respondents were from the age 21-30 years, 22.64% from the age 31-40, 40.57% from the age 41-50. The remaining 29.25% respondents were above the age of 51. The result indicated that most of the customers matured and from the age level of 41-50.

On the other hand, related to the work position of the customers 25.47% of respondents were owner of their company, 31.13% of respondent customer were engaged at the managerial position, 33.02% of the respondents were employee for the company and the remaining 10.38% of the respondents were in different position of work. The result showed that the owners and top managers were highly engaged in the purchase of communication cable.

Another back ground information about the respondents were regarding to the frequency of purchase depicted that, 7.55% the respondents purchase only 1 time, 37.74% of the respondents customers purchase more than 2-5 times, 37.74% of the customers had 6-10 times purchase frequency of Bmet communication cable and the remaining 16.98% of the customers had more than 10 times purchase experience.

**Type of product purchase**

Table 4.2 types of purchased product

<table>
<thead>
<tr>
<th>No</th>
<th>Products type</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Fiber optics</td>
<td>1</td>
<td>0.9</td>
</tr>
<tr>
<td>2</td>
<td>RJ 6</td>
<td>7</td>
<td>6.6</td>
</tr>
<tr>
<td>3</td>
<td>Cat 6</td>
<td>10</td>
<td>9.4</td>
</tr>
<tr>
<td>7</td>
<td>Fiber and RJ 6</td>
<td>11</td>
<td>10.4</td>
</tr>
<tr>
<td>8</td>
<td>Fiber, RJ 6 and Cat 6</td>
<td>9</td>
<td>8.5</td>
</tr>
<tr>
<td>9</td>
<td>Fiber, RJ 6, Cat 6 and Drop wire</td>
<td>5</td>
<td>4.7</td>
</tr>
<tr>
<td>10</td>
<td>Fiber,RJ 6 and Drop wire</td>
<td>2</td>
<td>1.9</td>
</tr>
<tr>
<td>11</td>
<td>Fiber and Cat 6</td>
<td>5</td>
<td>4.7</td>
</tr>
<tr>
<td>12</td>
<td>Fiber, Cat 6 Drop wire</td>
<td>2</td>
<td>1.9</td>
</tr>
<tr>
<td>13</td>
<td>Fiber and Drop wire</td>
<td>2</td>
<td>1.9</td>
</tr>
<tr>
<td>14</td>
<td>RJ 6 andCat 6</td>
<td>16</td>
<td>15.1</td>
</tr>
<tr>
<td>15</td>
<td>RJ 6,Cat 6 and Drop wire</td>
<td>12</td>
<td>11.3</td>
</tr>
<tr>
<td>16</td>
<td>RJ 6 andDrop wire</td>
<td>10</td>
<td>9.4</td>
</tr>
<tr>
<td>17</td>
<td>Cat 6 and Drop wire</td>
<td>14</td>
<td>13.2</td>
</tr>
<tr>
<td></td>
<td>Sum</td>
<td>106</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Stata frequency analysis result based on questionnaire survey, 2018
According to the survey of the study the respondents’ customers had different experience and type of product purchase. The company commonly produces 6 types of different communication cable products including fiber optics, Rj 6, cat 6, drop wire, jumper wire and copper telecom cables. And the collected survey illustrated that, 0.9% of the respondents purchase fiber optic cable, 6.6% respondents purchase Rj 6, 9.4% customers purchase Cat 6 only, 10.4% purchase both Fiber and Rj 6, 8.5% of the respondents purchased fiber, rj6 and cat 6, 4.7% of the respondents customer purchase fiber, Rj6, cat 6 and drop wire products, 1.9% of the respondents purchase fiber, Rj 6 and drop wire, 4.7% respondents purchase fiber and cat 6, 1.9% fiber, cat 6, and drop wire, 1.9% fiber and drop wire, 15.1% it means the big proportion of the respondents purchase Rj 6 and Cat 6 cables, 11.3% purchase Rj6, Cat 6 and drop wire, 9.4% respondents purchase Rj6 and drop wire and the remaining 13.2% respondents customers purchase cat 6 and drop wire.
4.2. Descriptive and Inferential Statistics Analysis

In this section the descriptive analysis result for product, price, place (distribution), promotion and correlation and regression analysis of marketing mix elements and customer satisfaction presented.

4.2.1 Product Analysis

Table 4.3 Customers response about product element

<table>
<thead>
<tr>
<th>Variables</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Mean and Stdeviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is consistence and compatibility in the quality of the product</td>
<td>F 0</td>
<td>1</td>
<td>15</td>
<td>45</td>
<td>45</td>
<td>4.26 and 0.73</td>
</tr>
<tr>
<td>%</td>
<td>0</td>
<td>0.94</td>
<td>14.15</td>
<td>42.45</td>
<td>42.45</td>
<td></td>
</tr>
<tr>
<td>Based on your awareness of the product, the company product is better than other available brands</td>
<td>F 0</td>
<td>3</td>
<td>20</td>
<td>44</td>
<td>39</td>
<td>4.12 and 0.81</td>
</tr>
<tr>
<td>%</td>
<td>0</td>
<td>2.83</td>
<td>18.87</td>
<td>41.51</td>
<td>36.79</td>
<td></td>
</tr>
<tr>
<td>The overall quality of the product good</td>
<td>F 0</td>
<td>0</td>
<td>1</td>
<td>26</td>
<td>79</td>
<td>4.73 and 0.46</td>
</tr>
<tr>
<td>%</td>
<td>0</td>
<td>0</td>
<td>0.94</td>
<td>24.53</td>
<td>74.52</td>
<td></td>
</tr>
</tbody>
</table>

Source: Stata descriptivestatics result based on questionnaire survey, 2018

Under table 4.3 the study assessed related to the product element on Bmet cable customers by taking three questionnaire surveys from the respondents. Regarding the first question which was: there is consistence and compatibility in the quality of the product depicted that, 0.94% of the customers were disagree about the consistency and compatibility of the product but similar amount of 42.45% of the respondent customers agree and strongly agree on the consistency and compatibility of the product respectively and the remaining 14.15% customers are stay neutral about the product of Bmet communication cable products. Overall the respondent customers had a good intension regarding to the consistency and compatibility of the product.

And the second question stated that: Based on your awareness of the product, the company product is better than other available brands and the customers respond that, 2.83% disagree on the idea that the company product is better than other brands, in the contrary 41.51% and 36.79% of the respondents customers agree and strongly agree about the Bmet product superiority than
other brands respectively. And the remaining 18.87% of customers agreed to be neutral regarding to the brand superiority of the company product. Generally, most of the customers decide that Bmet communication cable product is better than other available brands in the market.

Based on the survey of the third question regarding the overall quality of the product the respondent customer answered that: 24.52% and 74.53% of the respondent customers agree and strongly agree about the overall quality of the product and there is no disagreement level about the case. And only 1 (0.94%) of the respondent customer was neutral about the overall quality question. Therefore, the survey showed that almost all of the customers admit the goodness overall quality of Bmet cable products.

From this result the study conclude that, majority of the respondents were comfortable with the value of product of the company. And accordingly the mean scores of table 4.3 imply that Bmet cable had, a good product level (which is most of the respondents customers agreed), this is because all the product parameters used under this study had a mean score of between 4.12 and 4.73. Moreover, based on the response of the customers the parameters were listed in order of the descending magnitude of the mean score.

- The overall quality of the product good
- There is consistence and compatibility in the quality of the product
- Based on your awareness of the product, the company product is better than other available brands

Although, it was to be noted that just like the worthy extent of product value as one of marketingmix element. There were variations among respondents on the degree of value of product parameters of Bmet cables. And the variation was exhibited in the differences of responses to the respective of product parameter by different proportions of respondents on the Likert scale options. The variations were indicated by the standard deviations of the practices and they range from the low of 0.46 standard deviations for the overall quality of the product to the high of 0.81 standard deviations for the consistence and compatibility in the quality of the product. This implies that Low standard deviations indicated no significant variations of the extent product value parameters while high standard deviations indicated significant variations.
The study findings, therefore, support the arguments in the literature about the usage of product strategy for Customer satisfaction in Bmet cable. The findings indicate the proper usage of the product by the company according to Kotler p. (1999) now a day when developing products, marketers must first identify the core consumer needs that the product will satisfy, then design the actual product and finally find ways to augment it in order to create the bundle of benefits that will best satisfy consumers.

4.2.2 Price Analysis

Table 4.4 Customers response about price element

<table>
<thead>
<tr>
<th>Variables</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>neutral</th>
<th>Agree</th>
<th>Strongly agree</th>
<th>Mean and Sta.deviaton</th>
</tr>
</thead>
<tbody>
<tr>
<td>The price charged for the product is good</td>
<td>F 22</td>
<td>49</td>
<td>30</td>
<td>4</td>
<td>1</td>
<td>2.17 and 0.83</td>
</tr>
<tr>
<td></td>
<td>% 20.75</td>
<td>46.23</td>
<td>28.30</td>
<td>3.77</td>
<td>0.94</td>
<td></td>
</tr>
<tr>
<td>The company has convenient and well suited payments method</td>
<td>F 0</td>
<td>8</td>
<td>49</td>
<td>38</td>
<td>11</td>
<td>3.49 and 0.78</td>
</tr>
<tr>
<td></td>
<td>% 0</td>
<td>7.55</td>
<td>46.23</td>
<td>35.85</td>
<td>10.38</td>
<td></td>
</tr>
<tr>
<td>The company provide different discount method to attract new customers and to retain the existing one</td>
<td>F 20</td>
<td>62</td>
<td>23</td>
<td>1</td>
<td>0</td>
<td>2.04 and 0.66</td>
</tr>
<tr>
<td></td>
<td>% 18.87</td>
<td>58.49</td>
<td>21.70</td>
<td>0.94</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Stata descriptive statics result based on questionnaire survey, 2018

Under table 4.4 the study assessed related to the price element on Bmet cable customers by taking three survey question parameters from the respondents. Regarding the first question which was: The price charged for the product is good? Illustrated that, 20.75% of the customers were strongly disagree about the charged price for the product and also the big portion of around 46.23% of the respondent customers disagree about the price charged. And in other side 0.94% and 3.77% of the respondent strongly agree and agree on the charged price respectively others 28.30% of the respondent customers neutral about the case. Overall the respondent customers regarding the price charge of Bmet communication cable had not good intension.
And the second question stated that: The Company has convenient and well suited payments method and the customers respond that, 7.55% disagree on the idea that the company has convenient and well suited payments method, in the contrary 35.85% and 10.38% of the respondents customers agree and strongly agree respectively about the convenient and well suited payments method of Bmet cable. And the remaining 46.23% of customers agreed to be in the middle-of-the-road regarding to the availability of convenient and well suited payments method. Generally, most of the customers decide that Bmet communication cable had compatible payment method for the customers.

Based on the survey of the third question regarding to providing different discount method to attract new customers and to retain the existing one the customer answered that: 58.49% and 18.87% of the respondent customers disagree and strongly disagree about different discount method to attract new customers and to retain the existing one. In the other side only 1 (0.94%) of the respondent customer was agree and about 21.70% of the respondents were neutral about the case. Therefore, the survey showed that most of the customers didn’t accept the discount method of the company.

From this result the study conclude that, majority of the respondents were discomfort able with price strategies. And accordingly the mean scores of table 4.4 imply that, the customers were not happy about the price strategy, this is because all the price parameters used under this study had a mean score of between 2.04 and 3.49. Moreover, based on the response of the customers the parameters were listed in order of the descending magnitude of the mean score.

- The company has convenient and well suited payments method
- The price charged for the product is good
- The company provide different discount method to attract new customers and to retain the existing one

Although, it was to be noted that just like the extent of price value as one of marketing mix element. There were variations among respondents on the degree of price parameters of Bmet cables. And the variation was exhibited in the differences of responses to the respective of price parameters by different proportions of respondents on the Likert scale options. The variations were indicated by the standard deviations of the practices and they range from the low of
0.66 standard deviations for providing different discount method to attract new customers and to retain the existing one to the high of 0.83 standard deviations for both the price charged and the payment method. This implies that Low standard deviations indicated no significant variations of the extent of price parameters while high standard deviations indicated significant variations.

The study findings, therefore, depicted that there were some problems regarding to the application of price strategy in the company and the literature review scattered that, according to Kotler, et al (1999) company's pricing decisions are affected both by internal company factors (marketing objective, marketing mix strategy, cost and organizational consideration) and external environmental factors (market demand, competition and other environment elements). So, it’s important to the company to focus on such elements to adjust the pricing strategy.

### 4.2.3 Place Analysis

Table 4.5 Customers response about place element

<table>
<thead>
<tr>
<th>Variables</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>neutral</th>
<th>Agree</th>
<th>Strongly agree</th>
<th>Mean and Sta.deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The products are delivered on time and with the specified requested quantity</td>
<td>F 0</td>
<td>0</td>
<td>6</td>
<td>35</td>
<td>65</td>
<td>4.55 and 0.60</td>
</tr>
<tr>
<td></td>
<td>% 0</td>
<td>0</td>
<td>5.66</td>
<td>33.02</td>
<td>61.32</td>
<td></td>
</tr>
<tr>
<td>The products are available in the stock or delivered with a short period of time</td>
<td>F 0</td>
<td>0</td>
<td>2</td>
<td>33</td>
<td>71</td>
<td>4.65 and 0.51</td>
</tr>
<tr>
<td></td>
<td>% 0</td>
<td>0</td>
<td>1.89</td>
<td>31.13</td>
<td>66.98</td>
<td></td>
</tr>
<tr>
<td>There is fair or no bias on the distribution of the product</td>
<td>F 1</td>
<td>4</td>
<td>28</td>
<td>44</td>
<td>29</td>
<td>3.90 and 0.87</td>
</tr>
<tr>
<td></td>
<td>% 0.94</td>
<td>3.77</td>
<td>26.42</td>
<td>41.51</td>
<td>27.36</td>
<td></td>
</tr>
</tbody>
</table>

Source: Stata descriptive statics result based on questionnaire survey, 2018

Under table 4.5 the study assessed related to the place (distribution) element on Bmet cable customers by taking three survey question parameters from the respondents. Regarding the first question which was: The products are delivered on time and with the specified requested quantity depicted that, there is no disagreement level almost all the customers were comfortable regarding to on time delivery with the specified requested quantity because the result showed
that 33.02% and 61.32% of the respondent customers agree and strongly agreed on timely delivery of the product with the specified quantity respectively. And only 5.66% of the remaining respondents remain neutral about the case. Overall the respondent customers were gratified regarding to the products on time delivery with the specified requested quantity.

And the second question stated that: The products are available in the stock or delivered with a short period of time and the customers respond that, 31.13% and 66.98% of the respondents customers agree and strongly agree about the products availability in the stock or delivery with a short period of time. Similar to the above parameter there is no disagreement level for the case. And the remaining 1.89% of respondent customers agreed to be neutral regarding to the products availability in the stock or delivery with a short period of time. Generally, most of the customers depicted that the company had a good stock quantity and short production delivery of products.

Based on the survey of the third question regarding to fair or unbiased on the distribution of the product respondents replied that: 41.51% and 27.36% of the respondent customers agree and strongly agree about the fairness of product distribution. And comparable amount of the respondent customers around 26.42% were neutral about the fairness of product distribution. And the remaining small portion of the respondent 0.94% and 3.77% were strongly disagree and disagree respectively about the fairness of distribution.

From this result the study conclude that, majority of the respondents were happy with the distribution parameters. And accordingly the mean scores of table 4.5 imply that Bmet cable had, a good distribution strategy (which is most of the respondents customers agreed), this is because all the distribution parameters used under this study had a mean score of between 3.90 and 4.65. Moreover, based on the response of the customers the parameters were listed in order of the descending magnitude of the mean score

- The products are available in the stock or delivered with a short period of time
- The products are delivered on time and with the specified requested quantity
- There is fair or no bias on the distribution of the product

Although, it is to be noted that just like the worthy extent of place value as one of marketing mix element. There were variations among respondents on the degree of value of distribution parameters of Bmet cables. And the variation is exhibited in the differences of responses to the
respective of distribution parameter by different proportions of respondents on the Likert scale options. The variations were indicated by the standard deviations of the practices and they range from the low of 0.51 standard deviations for product availability in the stock or delivered with a short period of time to the high of 0.87 fair or no bias on the distribution of the product standard deviations. This implies that Low standard deviations indicated no significant variations of the extent place or distribution value parameters while high standard deviations indicated significant variations.

4.2.4 Promotion Analysis

Table 4.6: Customers response about promotion element

<table>
<thead>
<tr>
<th>Variables</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>neutral</th>
<th>Agree</th>
<th>Strongly agree</th>
<th>Mean and Sta.deviaton</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company has good promotion activity</td>
<td>F 8</td>
<td>56</td>
<td>39</td>
<td>3</td>
<td>0</td>
<td>2.34 and 0.66</td>
</tr>
<tr>
<td></td>
<td>% 7.55</td>
<td>52.83</td>
<td>36.79</td>
<td>2.83</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>The company use most of promotion tools like advertising, personal selling, sales promotion, public relation effectively</td>
<td>F 5</td>
<td>43</td>
<td>50</td>
<td>8</td>
<td>0</td>
<td>2.57 and 0.70</td>
</tr>
<tr>
<td></td>
<td>% 4.72</td>
<td>40.57</td>
<td>47.17</td>
<td>7.55</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>The company use special promotion activity like gift, customer get together and others to attract customers</td>
<td>F 0</td>
<td>14</td>
<td>55</td>
<td>33</td>
<td>4</td>
<td>3.25 and 0.73</td>
</tr>
<tr>
<td></td>
<td>% 0</td>
<td>13.21</td>
<td>51.89</td>
<td>31.13</td>
<td>3.77</td>
<td></td>
</tr>
</tbody>
</table>

Source: Stata descriptive statics result based on questionnaire survey, 2018

Under table 4.6 the study assessed related to the promotion element on Bmet cable customers by taking three survey question parameters from the respondents. Regarding the first question which was: The company has good promotion activity depicted that, only 2.83% of the customers were agree about the promotion activity of the company. In contrary, 7.55% and 52.83% of the respondent customers strongly disagree and disagree on the promotional activity respectively and the remaining 36.79% customers are stay neutral about the promotion of Bmet cable. Overall the
survey result showed that respondent customers had no good intension regarding to the promotional activity

And the second question stated that: promotion tools like advertising, personal selling, sales promotion, public relation effectively and the customers respond that, 7.55% agree on the effectively usage of promotional tools. On the other side 4.72% and 40.57% of the respondents customers strongly disagree and disagree about the effectively usage of promotional tools respectively. And the remaining big portion of the respondent customers around 47.17% of customers agreed to be neutral regarding to effectively usage of promotional tools. Generally, most of the customers replied that promotional tools like advertising, personal selling, sales promotion, public relation were not effectively applied.

Based on the survey of the third question regarding to the usage of special promotion activity like gift, customer get together and others to attract customers the respondents answered that: 31.13% and 3.77% of the respondent customers agree and strongly agree about the special promotional activities and there is disagreement level around 13.21% of the customers. But, the big portions of the respondent customers around 51.89% were neutral about the case. Therefore, the survey showed that most of the customers had average response about the usage of special promotion activity like gift, customer get together and others to attract customers.

From this result the study conclude that, majority of the respondents were not happy with the promotion strategy. And accordingly the mean scores of table 4.6 imply that Bmet cable had, the promotion activity is not good enough; this is because all the promotion parameters used under this study had a mean score of between 2.34 and 3.25. Moreover, the parameters were listed in order of the magnitude of the mean score in a descending order.

- The company use special promotion activity like gift, customer get together and others to attract customers
- The company use most of promotion tools like advertising, personal selling, sales promotion, public relation effectively
- The company has good promotion activity

Although, it is to be noted that just like the worthy extent of promotion value as one of marketing mix element. There were variations among respondents on the degree of value of
promotion parameters of Bmet cables. And the variations were exhibited in the differences of responses to the respective of promotion parameter by different proportions of respondents on the Likert scale options. The variations were indicated by the standard deviations of the practices and they range from the low of 0.66 standard deviations for company has good promotion activity to the high of 0.73 standard deviations for the company use special promotion activity like gift, customer get together and others to attract customers. This implies that Low standard deviations indicated no significant variations of the extent promotion value parameters while high standard deviations indicated significant variations.

Related to the finding of the study the literature review endorse that the scope of marketing communications is immense, including all advertising, sales promotions, personal selling, Internet marketing and media relations. Any form of paid-for communication may be viewed as a marketing communication (Marilyn A. & John D. 2007) indicated that, it needs collaboration between all communication tools.

4.2.5 Customer Satisfaction Analysis

Table 4.7: Customers response about satisfaction

<table>
<thead>
<tr>
<th>Variables</th>
<th>Very dissatisfied</th>
<th>Dissatisfied</th>
<th>Neutral</th>
<th>Satisfied</th>
<th>Very satisfied</th>
<th>Mean and Std. deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company helps for adapting new product features and to get additional alternative on the area</td>
<td>F 0</td>
<td>1</td>
<td>30</td>
<td>50</td>
<td>25</td>
<td>3.93 and 0.74</td>
</tr>
<tr>
<td></td>
<td>% 0</td>
<td>0.94</td>
<td>28.30</td>
<td>47.17</td>
<td>23.58</td>
<td></td>
</tr>
<tr>
<td>The company working better to keep your interest effectively</td>
<td>F 0</td>
<td>7</td>
<td>29</td>
<td>45</td>
<td>25</td>
<td>3.83 and 0.86</td>
</tr>
<tr>
<td></td>
<td>% 0</td>
<td>6.6</td>
<td>27.36</td>
<td>42.45</td>
<td>23.58</td>
<td></td>
</tr>
<tr>
<td>Overall the company is working well in the sector</td>
<td>F 0</td>
<td>0</td>
<td>9</td>
<td>54</td>
<td>43</td>
<td>4.32 and 0.62</td>
</tr>
<tr>
<td></td>
<td>% 0</td>
<td>0</td>
<td>8.49</td>
<td>50.94</td>
<td>40.57</td>
<td></td>
</tr>
</tbody>
</table>

Source: Stata descriptive statistics result based on questionnaire survey, 2018
Under table 4.7 the study assessed related to the customer satisfaction on Bmet cable customers by taking three survey question parameters from the respondents. Regarding the first question which was: The Company helps for adapting new product features and to get additional alternative on the area depicted that, 0.94% of the customers were dissatisfied about adapting new product features but 47.17% and 23.58% of the respondent customers satisfied and strongly satisfied on the companies experience in adapting new product features respectively. And the remaining 28.30% customers are stayed neutral about the case. Overall the respondent customers were satisfied regarding to the companies experience in adapting new product features.

And the second question stated that: The Company working better to keep your interest effectively and the customers respond that, 6.6% were dissatisfied on the idea that the company keeps your interest effectively, in the contrary 42.45% and 23.58% of the respondents customers satisfied and very satisfied about the effective companies work to keep the customers interest respectively. And the remaining portion of around 27.36% the respondent customers stay in middle-of-the-road regarding to the idea that the company keeps your interest effectively. Generally, the customers were satisfied position to the case.

Based on the survey of the third question stated that: Overall the company is working well in the sector and the respondent customer answered that: 50.94% and 40.57% of the respondent customers satisfied and very satisfied about the overall work of the company and there was no dissatisfied respondent customer about the case. And only 8.49 of the respondent customer were neutral about the overall work of the company. Therefore, the survey showed that almost all of the customers satisfied about overall work of Bmet cable in the sector.

From this result the study conclude that, majority of the respondents were satisfied from the result of customer satisfaction parameter. And accordingly the mean scores of table 4.7 imply that Bmet cable had, at the good extent to satisfy the customers. This was because all the product parameters used under this study had a mean score of between 3.83 and 4.32. Moreover, the parameters were listed in order of the magnitude of the mean score in a descending order.

- Overall the company is working well in the sector
- The company helps for adapting new product features and to get additional alternative on the area
- The company working better to keep your interest effectively

Although, it was to be noted that just like the worthy extent of customer satisfaction value, there were variations among respondents on the degree of value of customer satisfaction parameters of Bmet cables. And the variations were exhibited in the differences of responses to the respective of customer satisfaction parameter by different proportions of respondents on the Likert scale options. The variations were indicated by the standard deviations of the practices and they range from the low of 0.62 standard deviations, for the company is working well in the sector to the high of 0.86 standard deviations for the company working better to keep your interest effectively. This implies that Low standard deviations indicated no significant variations of the extent customer satisfaction value parameters while high standard deviations indicated significant variations

### 4.2.6 Inferential statistics of marketing mix elements and customer satisfaction

#### 4.2.6.1 Correlation Analysis

Table 4.8: variables correlation analysis

<table>
<thead>
<tr>
<th></th>
<th>satisfaction</th>
<th>Product</th>
<th>price</th>
<th>place</th>
<th>promotion</th>
</tr>
</thead>
<tbody>
<tr>
<td>satisfaction</td>
<td>1.0000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>product</td>
<td>0.5972*</td>
<td>1.0000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>price</td>
<td>-0.1314</td>
<td>-0.0730</td>
<td>1.0000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>place</td>
<td>0.6857*</td>
<td>0.3838*</td>
<td>0.0142</td>
<td>1.0000</td>
<td></td>
</tr>
<tr>
<td>promotion</td>
<td>0.5552*</td>
<td>0.3435*</td>
<td>0.0812</td>
<td>0.4966*</td>
<td>1.0000</td>
</tr>
</tbody>
</table>

Figures in parenthesis denote p-values, ***significant at 1 percent, **significant at 5 percent, * significant at 10 percent

Source: Stata Inferential Statistics that measure correlation between variables
The correlation matrix in Table 4.8 above resulted that customer satisfaction had a positive correlation with product, place and promotion and statistically significant at 1 percent level with 0.0000 magnitude. But customer satisfaction had a negative correlation with price and insignificant statistically. In addition to this table 4.8 reveals the extent of relationship between dependent and all independent variables. The correlation coefficients for product, price, place and promotion respectively with customer satisfaction were 59.72 percent, -13.14 percent, 68.57 percent and 55.52 percent. Moreover, pair-wise correlation matrix is one of the major methods of detecting multicollinearity among explanatory variables. If the pair-wise correlation coefficient among two regresses is in excess of 0.8, we suspect that multicollinearity possess serious challenge to our estimates (Gujarati, 2004). Therefore according to the survey result there was no any variable coefficient exceeded 0.8 it means multicollinearity between variables was not a problem for the study.

Generally, the pair wise correlations give proof of relationship between variables; these measures do not allow us to identify causes and effect relationships between such variables. From the results of correlation analysis, it was difficult to say whether independent variables were determinants for customer satisfaction. Simply the correlation result shows the coefficient and the direction of relationship between two variables with the level of significance. Hence, it should be noted that a complete assurance about the significance of the relationship between the endogenous and exogenous variables can be obtained from the regression results which will discuss in the forthcoming section.

4.2.6.2 Regression Analysis

This section of the study presents the results and discussions of the econometrics/regression analysis. So far, the study established a framework of literature review and data analysis of descriptive Statistics and correlation analysis were established in order to investigate marketing mix elements and its relationship with customer satisfaction at Bmet cable factory. To investigate the significant factors of marketing mix elements that influence customer satisfaction in company, ordered list square model (OLS) were computed. Before running the regressions, in addition to multicollinearity test which was stated previously the data sets were tested for heteroscedasticity (testing autocorrelation between error terms) and normality test. Consequently,
Breusch-pagan/cook test for heteroscedasticity was used to test heteroscedasticity problem of the data sets.

```
. estat hettest
 Breusch-Pagan / Cook-Weisberg test for heteroskedasticity
 Ho: Constant variance
 Variables: fitted values of satisfaction

    chi2(1)    =   0.31
  Prob > chi2 =  0.5758
```

The test for heteroscedasticity (Breusch-pagan test) implies that there is no problem of heteroscedasticity or non-constant variance or no autocorrelation problem since the chi –square value (p= 0.5758> 0.05), therefore the analysis suggested that the error variance is homogeneous or constant and it’s accepted and at the significant level.

And another test was about normality test. Non-normality or abnormality would be detected by graphing or plotting residual values against the estimated value of Y and by Performing Kernel Density Test using Stata.

**Figure 4.2:** normality model analysis
Source: Stata normality model- kernel density plot test

The kernel density plot for customer satisfaction is smoothly matching the normal curve. Therefore, this reveals that the normality assumption is not violated (there is no sign of outliers).

Accordingly, after the above tests the stata OLS model analysis depicted the regression analysis as follow by adding each marketing mix elements results and changing into continuous variables.

Table 4.9: variables regression analysis

```
. regress satisfaction product price place promotion

Source | SS      | df | MS       | Number of obs = 106
-------+---------|----|----------|---------------------
Model  | 43.1202 | 4  | 10.7800  | F(4, 101) = 47.10  
Residual| 23.1155 | 101| .22887   | Prob > F = 0.0000  
Total  | 66.2358 | 105| .630817  | R-squared = 0.6510 

|             | Coef.  | Std. Err. | t     | P>|t|  | [95% Conf. Interval]             |
|-------------|--------|-----------|-------|------|-----------------------------|
| satisfaction|        |           |       |      |                             |
| product     | .2683  | .0516     | 5.19  | 0.00 | .1657779 - .3708317         |
| price       | -.1096 | .0494     | -2.22 | 0.01 | -.2076472 -.0116477         |
| place       | .3600  | .0569     | 6.33  | 0.00 | .2471201 .472942            |
| promotion   | .1579  | .0477     | 3.31  | 0.01 | .0631586 .2527181           |
| _cons       | 3.3972 | .8532     | 3.98  | 0.00 | 1.704647 5.089766           |
```

Source: Stata regression analysis based on questionnaire survey

Table 4.9 shows the summarized ordinary list square for the study variables: i.e. coefficients, p-values, number of observation and R squared. The overall significances of OLS regressions when measured by P-values is 0.0000 indicated that the analysis were well fitted at 1 percent level of significance. In addition, the R squared values show that explanatory powers of the explanatory variables in regressions. In the regression analysis, 65.1% of the variation in the amount of customer satisfaction explained by variation in the product, price, place and promotion or independent variables explain the variability of the dependent variable to the extent of 65.1 percent.
Accordingly, table 4.9 gives the findings of the study on the effect of marketing mix elements on customer satisfaction in Bmet cable. Thus, its detail interpretation on each variable based on the respective coefficients and p-values of OLS analysis depicted that: The marketing mix elements, represented by product, had statistically significant at 1% with p=0.000 level of significance and positive relation with customer satisfaction because of the positive sign of the coefficient. Another marketing mix element, represented by price, had statistically significant at 5% with p=0.029 level but had a negative relation with customer satisfaction because of the negative sign (-0.1096) of the coefficient. On the other hand place (distribution) marketing mix element, had statistically significant at 1% with p=0.000 level of significance and positive relation with customer satisfaction because of the positive sign of the coefficient. And finally, the promotion analysis had statistically significant at 1% with p=0.001 level of significance and positive relation with customer satisfaction because of the positive sign of the coefficient. Even though, the regression analysis had a coefficient with 3.39 but it doesn’t mean customer satisfaction will increase or decrease at 1 when the independent variables were changed at 3.39 because the variables were changed into continuous variable to assess the OLS regression.

4.2.6.3 Analysis of marketing mix and customer satisfaction relationship

Results of the regression revealed that product, place, and promotion had a positive relationship with customer satisfaction with a value of 26.83, 36.00 and 15.71 respectively. But price had a negative relationship with customer satisfaction with the value of -10.96 and as stated above, results of the regression exposed that values of R square and adjusted R square were 0.65 and 0.63 respectively. This proves that marketing mix such as product; price, place and promotion explain 65% of the variation on customer satisfaction. Consequently, the analysis depicted that place (36.00), product (26.83) respectively had a moderate relationship with customer satisfaction and promotion (15.71) had low level of relation with the customer satisfaction related to Bmet cable communication cable and the price (-10.96) change affect customer satisfaction negatively.

4.3 Product Purchasing Decision Element Analysis

The last analysis of the study focuses on the elements of product decision elements. Based on the literature review there are 5 major decision elements used by customers in order to decide on the
purchase of the product. The following Stata analysis shows the frequency of those major elements effect on product purchase analysis of the study

Table 4.10: product purchase decision elements

<table>
<thead>
<tr>
<th>PRODUCT PURCHASE DECISION ELEMENTS</th>
<th>Very Insignificant 1</th>
<th>Insignificant 2</th>
<th>Neutral 3</th>
<th>Significant 4</th>
<th>Very significant 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q. Which product purchase decision element more significant for choosing communication cable products.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Product Attributes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product quality</td>
<td>Frequency 0</td>
<td>7</td>
<td>23</td>
<td>46</td>
<td>30</td>
</tr>
<tr>
<td>%</td>
<td>0%</td>
<td>6.6%</td>
<td>21.70%</td>
<td>43.40%</td>
<td>28.30%</td>
</tr>
<tr>
<td>Product feature</td>
<td>Frequency 0</td>
<td>13</td>
<td>32</td>
<td>37</td>
<td>24</td>
</tr>
<tr>
<td>%</td>
<td>0%</td>
<td>12.26%</td>
<td>30.19%</td>
<td>34.91%</td>
<td>22.64%</td>
</tr>
<tr>
<td>Product design and style</td>
<td>Frequency 0</td>
<td>4</td>
<td>32</td>
<td>45</td>
<td>25</td>
</tr>
<tr>
<td>%</td>
<td>0%</td>
<td>3.77%</td>
<td>30.19%</td>
<td>42.45%</td>
<td>23.58%</td>
</tr>
<tr>
<td>2. Branding</td>
<td>Frequency 0</td>
<td>26</td>
<td>44</td>
<td>24</td>
<td>12</td>
</tr>
<tr>
<td>%</td>
<td>0%</td>
<td>24.53%</td>
<td>41.51%</td>
<td>22.64%</td>
<td>11.32%</td>
</tr>
<tr>
<td>3. Labeling</td>
<td>Frequency 0</td>
<td>16</td>
<td>51</td>
<td>30</td>
<td>9</td>
</tr>
<tr>
<td>%</td>
<td>0%</td>
<td>15.09%</td>
<td>48.11%</td>
<td>28.30%</td>
<td>8.49%</td>
</tr>
<tr>
<td>4. Packaging</td>
<td>Frequency 0</td>
<td>8</td>
<td>33</td>
<td>41</td>
<td>24</td>
</tr>
<tr>
<td>%</td>
<td>0%</td>
<td>7.55%</td>
<td>31.13%</td>
<td>38.68%</td>
<td>22.64%</td>
</tr>
<tr>
<td>5. Mod product- support service</td>
<td>Frequency 0</td>
<td>20</td>
<td>52</td>
<td>25</td>
<td>9</td>
</tr>
<tr>
<td>%</td>
<td>0%</td>
<td>18.87%</td>
<td>49.06%</td>
<td>23.58%</td>
<td>8.49%</td>
</tr>
</tbody>
</table>

Source: Stata frequency statics result based on questionnaire survey, 2018

According to the above descriptive data each elements have different significant range for deciding on purchasing of a product. So, in order to make more clear and easy for interpretation the above data revised in to mean values which give us cumulative result of each element.
Table 4.11: product purchase decision elements mean value

<table>
<thead>
<tr>
<th>Variable</th>
<th>Obs</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Min</th>
<th>Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>productquality</td>
<td>106</td>
<td>3.93</td>
<td>0.87</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>productfeature</td>
<td>106</td>
<td>3.68</td>
<td>0.96</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>productdesign</td>
<td>106</td>
<td>3.86</td>
<td>0.82</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>branding</td>
<td>106</td>
<td>3.21</td>
<td>0.94</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>labeling</td>
<td>106</td>
<td>3.30</td>
<td>0.83</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>packaging</td>
<td>106</td>
<td>3.76</td>
<td>0.89</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>supportservice</td>
<td>106</td>
<td>3.22</td>
<td>0.85</td>
<td>2</td>
<td>5</td>
</tr>
</tbody>
</table>

Source: Stata mean statics result based on questionnaire survey, 2018

The analysis depicted that, the product attribute which include product quality, product feature and product design and style had high value of significance with 3.93, 3.67 and 3.85 respectively. And all of them are near to 4 which show Significance of the elements for product decision. In related to this branding, labeling, packaging and mid product service had 3.20, 3.30, 3.76 and 3.21 level of significance and this represent that the elements had a neutral value (which is related to 3) for the customers in the case of product purchase decision but only packaging related to communication cable purchase had a significant level of value for the customer. Moreover the study generalized that, according to their level of significance for communication cable purchase decision: product quality, product design and style, packaging, product feature, labeling, mid product support service and branding had descending value from more significance to less significance.
Chapter Five  
Summery, Conclusion and Recommendation

In the first part of this chapter conclusions drawn from the major findings of the study were presented and followed by recommendations that the researcher forwarded so as to enhance customer satisfaction level and also the identified area for further research is presented

5.1. Summery and Conclusion

Most of companies analyze and manage their marketing activities using the elements in the framework. Marketing strategies are built upon such components of the marketing mix as product, price, promotion and place. Therefore, it is possible to conclude that the same applies to Bmet cable industry. Based on the findings of the study, the company is executing its marketing activity within the framework and applying fully every element in the mix. Moreover, the main objective of this study was to examine the effect marketing mix element on customer satisfaction by taking evidence from communication cable customers of Bmet cable focusing on the city of Addis Ababa. Based on the main objective, four specific research objectives were developed. To achieve this main objective, the study used mixed research approach. Descriptive analysis, such as mean, standard deviation, frequency and percentage to investigate the demographic characteristics of the respondents, and marketing mix practices concerning to Bmet cable products. Secondly, correlation analysis was used to examine the association between independent variables and dependent variable. Thirdly, the ordered OLS regression model was used to examine the effect of marketing mix elements on customer satisfaction in Bmet cable. And finally, frequency and percentage analysis used for product purchase decision elements. More specifically; the study used questionnaire survey of private retailer and distributer customers in Addis Ababa.

Consequently, the following conclusions have been reached from the analysis made earlier to address the research questions and specific objectives set in the study based on the dimensions considered in the framework the result of the study about marketing elements separately depicted as follow:
First, regarding to one of the major marketing mix element “product” which include the quality, feature, design and style and other attributes the respondent customers comprehended as follow considering those survey parameters.
- There is consistence and compatibility in the quality of the product
- Based on your awareness of the product, the company product is better than other available brands
- The overall quality of the product good

The customers’ response rate of the mean value of 4.26, 4.12, and 4.71 which shows the aggregate mean value 4.36 described that most of the respondent agree with the overall product aspects of the company. But, it’s also important to give attention for other competitor brands and the consistency and compatibility of the product because there were some disagreement levels on the issue.

Secondly, regarding to “price” which includes about the discount rate and mechanism, unit price of the product, pricing strategy, payment methods and others the respondent customers comprehended as follow considering those survey parameters.
- The price charged for the product is good
- The company has convenient and well suited payments method
- The company provides different discount method to attract new customers and to retain the existing one.

The customers’ response rate of the mean value of 2.04, 3.49, and 2.17 which shows the aggregate mean value 2.5 described that most of the respondent were not happy with the price aspects of the company. Because most of the customers had a negative felling regarding the price charged and the discount method of the company. This shows that there were a reverse relationship between customer satisfaction and price, when the price charged was increased the customer satisfaction were decrease and the reverse is true. So, it’s important for the company to focus on such elements and specifically and the price strategy in general.

Thirdly, regarding to “place” or “distribution” which include on time delivery, accessible to different place, good store capacity and others attributes the respondent customers comprehended as follow considering those survey parameters.
- The products are delivered on time and with the specified requested quantity
- The products are available in the stock or delivered with a short period of time
- There is fair or no bias on the distribution of the
The customers’ response rate of the mean value of 4.55, 4.65, and 3.90 which shows the aggregate mean value 4.36 described that most of the respondent agree with the distribution aspects of the company. According to the survey result, even though the customers were happy about the distribution strategy in general but some of the respondents had believed some biased works about the issue.

- Fourthly, regarding to “promotion” which includes applicability of major promotion mix, connection with the customers and medias and other promotional features the respondent customers comprehended as follow considering those survey parameters.
  - The company has good promotion activity
  - The company use most of promotion tools like advertising, personal selling, sales promotion, public relation effectively
  - The company use special promotion activity like gift, customer get together and others to attract customers
The customers’ response rate of the mean value of 2.34, 2.57, and 3.25 which shows the aggregate mean value 2.72 described that most of the respondent were not happy with the promotional aspects of the company. Because most of the customers had a negative felling regarding the general promotional activity and specifically to those major promotional tools usage.

- Finally, regarding to the general level of “customer satisfaction” which includes the companies activity in the sector, adopting of new features, feeling and keeping the customers interest and others customer satisfaction aspects the respondent customers comprehended as follow considering those survey parameters.
  - The company helps for adapting new product features and to get additional alternative on the area
  - The company working better to keep your interest effectively
  - Overall the company is working well in the sector
The customers’ response rate of the mean value of 3.93, 3.83, and 4.32 which shows the aggregate mean value 4.02 described that most of the respondent were satisfied with the company. But some of the customers had a neutral felling regarding to adapting new product features and keeping the customers interest
Generally, the study conclude that there were a good a positive relationship between customer satisfaction and product and place of marketing mix elements and moderate level relation with promotion of a company. But there were some negative level relation with the price of the company (the customers are not satisfied with the pricing strategy).

In addition to this, from the analysis we can conclude that most of the customers were engaged in the purchase of cat 6, rj6, fiber and drop wire purchase rather than purchasing copper telecom and jumper wire products which will be consumed by government companies. And also the customer used product quality, product style and design and packaging as the main element to decide on communication cable purchase rather than the product feature, labeling, mid product service and branding elements.

5.2 Recommendations

This study forward the following recommendations depending on the empirical findings of the study which is valuable to the company for improving controllable marketing mix elements to assure customer satisfaction. Now a days it becomes obligation for the companies to concern on the satisfaction of the customer more than anything else, hence that succeed in business the company has to focus on satisfying its customers and gradually increase the level of its customer’s satisfaction through having a clear and customer based marketing strategies and integrating its various marketing activities. And the researcher recommended based on the survey as follow.

- It’s better to retain and increase the marketing strategy followed for product and distribution aspects but also its necessarily to work on single dissatisfaction areas which explained in the conclusion to create a delightful customer satisfaction.
- In contrary to the above idea the company should focus and modify the strategies used for the price and promotion. Because from the survey the researcher understands that the customers were dissatisfied with some of the mechanisms. So, it’s important to revise the price of the product according to the market situation, the competitor condition and based on the customers purchasing capacity. in addition to this, it’s necessary to use some mechanisms cash discount, quantity discount, big sale, and others to retain the existing customers and to attract the new ones. Regarding to promotion, even though there is no
competitor in the area locally but the company should work related to media agents to get some special ways to reach to the customers and to increase customer awareness level for local products and compute with the imported big brands.

- Based on the survey, the researcher understand that, most of the customer gave attention to purchase communication cable products based on the product quality, product design and packaging, so the company should work intensively regarding to this elements to get the customers devotion. Although, the customers doesn’t much consider about the branding, labeling, mid product service and product design and style during product purchase but it’s better to the company to use such gaps and to create well-known brand (by focusing on intensive promotional works) and to change the customer intention regarding other elements.

Generally, the researcher believes that the company should adjust some of the strategies and retain the good one to significantly increase and develop the customer satisfaction regarding to communication cable products.

### 5.2.1 Direction for Further Researches

This study had looked only at the effect of marketing mix on private company’s customer satisfaction and their product purchasing decision elements. Hence, other consumer characteristic like customer loyalty was not included. Therefore, further researchers recommended focusing on the effect of marketing mix on governmental company’s customer satisfaction and their product purchased decision elements and also the customer’s loyalty in the sector.
Bibliography


John, B. (2008, p.190). *Core concepts of marketing*. Jacobs’s foundation: Zurich, Switzerland


Kurtz and Boone. (2007). *Principles of marketing*. Central Learning India


Appendix 1

Appendix I: Introductory Letter

TO WHOM IT MAY CONCERN

Dear Sir/Madam

I am a student pursuing a Master’s degree in Marketing Management at the St. Mary’s university. I am required to carry out a study on “the effect of marketing mix on customer satisfaction in the case of Bmet cable”. The purpose of this study is to find out the level of customer satisfaction with regard to the product quality, price charged, the distribution mechanism and promotion utilized by the company.

I kindly request your assistance and valuable time to respond to the questionnaire. The information given will be treated with high confidentiality.

Yours faithfully,

STUDENT
TEWABE TAREKEGN

SUPERVISOR
Ass.Prof. ZEMENU AYNADISE

SIGN………………………
SIGN………………………..
Appendix II: Questionnaire

ST.MARY’S UNIVERSITY COLLEGE BUSINESS FACULTY
DEPARTEMENT OF MARKETING MANAGEMENT

Questionnaires to be filled by the customers

SECTION: 1 PERSONAL BACKGROUND AND

Please mark the required data by ticking [√] against the most appropriate answer.

I respondents name................................................................. [Optional]

1. Age
   A. 21-30 years [ ]                     C. 41-50 years [ ]
   B. 31-40 years [ ]                     D. 51 and above [ ]

2. Work position
   A. Owner [ ]                         C. Employee [ ]
      B. Managerial level [ ]             D. others [ ]

3. How many times you purchase communication cable from the company?
   A. 1 time [ ]                        C. 6-10 times [ ]
      B. 2-5 times [ ]                   D. More than 10 times [ ]

4. Which product did you purchase from the company?
   A. Fiber optics [ ]                   D. drop wire [ ]
      B. RJ 6 (dish cable) [ ]            E. Jumper wire[ ]
      C. Cat 6 (data cable)[ ]            F. Copper telecom[ ]
## SECTION: 2A QUESTIONS OF MARKETING MIX ELEMENTS

Please mark the required data by ticking [✓] against the most appropriate answer. Where: 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree

<table>
<thead>
<tr>
<th>MARKETING MIX ELEMENTS</th>
<th>Strongly disagree 1</th>
<th>Disagree 2</th>
<th>Neutral 3</th>
<th>Agree 4</th>
<th>Strongly agree 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>product</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>There is consistence and compatibility in the quality of the product</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Based on your awareness of the product, the company product is better than other available brands</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>the overall quality of the product good</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>price</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>The price charged for the product is good</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>The company has convenient and well suited payments method</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>The company provide different discount method to attract new customers and to retain the existing one</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Place (Distribution)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>The products are delivered on time and with the specified requested quantity</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>The products are available in the stock or delivered with a short period of time</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>There is fair or no bias on the distribution of the product</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>promotion</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>The company has good promotion activity</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>The company use most of promotion tools like advertising, personal selling, sales promotion, public relation effectively</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>The company use special promotion activity like gift, customer get together and others to attract customers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## SECTION: 2B QUESTIONS OF CUSTOMER SATISFACTION

Where: 1 = Very dissatisfied, 2 = dissatisfied, 3 = neutral, 4 = dissatisfied, 5 = Very satisfied

<table>
<thead>
<tr>
<th>CUSTOMER SATISFACTION</th>
<th>Very dissatisfied</th>
<th>Dissatisfied</th>
<th>Neutral</th>
<th>Satisfied</th>
<th>Very satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 The company helps for adapting new product features and to get additional alternative on the area</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 The company working better to keep your interest effectively</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Overall the company is working well in the sector</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## SECTION: 2C QUESTIONS OF PRODUCT PURCHASE DECISION ELEMENTS

Where: 1 = Very insignificant, 2 = insignificant, 3 = neutral, 4 = significant, 5 = Very significant

<table>
<thead>
<tr>
<th>PRODUCT PURCHASE DECISION ELEMENTS</th>
<th>Very insignificant</th>
<th>Insignificant</th>
<th>Neutral</th>
<th>Insignificant</th>
<th>Very significant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q Which product purchase decision element more significant for choosing communication cable products.</td>
<td>1 Product Attributes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Product quality</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Product feature</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Product design and style</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Branding</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Labeling</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Packaging</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Mod product- support service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Appendix 3

Test results of Stata

Correlation analysis and Multicollinearity test

```
. pwcorr satisfaction product price place promotion, sig star(10)
```

<table>
<thead>
<tr>
<th></th>
<th>satisfaction</th>
<th>product</th>
<th>price</th>
<th>place</th>
<th>promotion</th>
</tr>
</thead>
<tbody>
<tr>
<td>satisfaction</td>
<td>1.0000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>product</td>
<td>0.5972*</td>
<td>1.0000</td>
<td>0.0000</td>
<td>0.1793</td>
<td>0.4573</td>
</tr>
<tr>
<td>price</td>
<td>-0.1314</td>
<td>-0.0730</td>
<td>1.0000</td>
<td>0.0000</td>
<td>0.8848</td>
</tr>
<tr>
<td>place</td>
<td>0.6857*</td>
<td>0.3838*</td>
<td>0.0142</td>
<td>1.0000</td>
<td>0.4965*</td>
</tr>
<tr>
<td>promotion</td>
<td>0.5552*</td>
<td>0.3435*</td>
<td>0.0812</td>
<td>0.4965*</td>
<td>1.0000</td>
</tr>
</tbody>
</table>

Heteroscedasticity result

```
. estat hettest
```

Breusch-Pagan / Cook-Weisberg test for heteroskedasticity

Ho: Constant variance

Variables: fitted values of satisfaction

```
chi2(1) = 0.31
Prob > chi2 = 0.5758
```
### Normality test

![Normality test](image)

### Regression analysis result

```
. regress satisfaction product price place promotion

Source | SS       | df | MS       | Number of obs = 106
Model   | 43.1202914 | 4  | 10.7800729       | F( 4, 101) = 47.10
Residual| 23.1155576 | 101 | .228866907       | Prob > F = 0.0000
Total   | 66.2358491 | 105 | .63081761         | R-squared = 0.6510
Adj R-squared = 0.6372
Root MSE = .4784

| satisfaction | Coef.   | Std. Err. | t   | P>|t| | [95% Conf. Interval] |
|--------------|---------|-----------|-----|------|----------------------|
| product      | .2683048| .0516839  | 5.19| 0.000| .1657779             | .3708317 |
| price        | -.1096474| .0494017  | -2.22| 0.029| -.2076472            | -.0116477 |
| place        | .3600311 | .0569185  | 6.33| 0.000| .2471201             | .472942  |
| promotion    | .1579383 | .0477785  | 3.31| 0.001| .0631586             | .2527181 |
| _cons        | 3.397207 | .8532205  | 3.98| 0.000| 1.704647             | 5.089766 |
```
DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of Zemenu Aynadis (Ass.Prof.). All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

____________________________             _______________________
Name                                                           Signature

St. Mary’s University May, 2018
Addis Ababa
ENDORSEMENT

This thesis has been submitted to St. Mary’s University, School of Graduate Studies for Marketing Management program with my approval as a university advisor.

Zemenu Aynadis (Ass.Prof.)
Advisor Signature

St. Mary’s University May, 2018
Addis Ababa