



**ST.MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

***The Effect of Marketing Mix Strategy on customer
satisfaction:
The case of Ethiopian Trading Enterprise***

**BY
KIRUBEL WUBE ADERA**

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KIRUBEL WUBE ADERA

Advisor

GETIE ANDUALEM (PhD)

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**BY
KIRUBEL WUBE**

APPROVED BY BOARD OF EXAMINERS

Dean, Graduate Studies

Signature & Date

Advisor

Signature & Date

External Examiner

Signature & Date

Internal Examiner

Signature & Date

DECLARATION

The researcher, of undersigned, declares that this thesis is my original work. All sources of materials used for the thesis have been duly acknowledged. The researcher further confirms 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 & Date

ENDORSEMENT

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

Advisor

Signature & Date

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Above all, I thank the Almighty God for giving me health and strength for the completion of the study

ABBREVIATIONS AND ACRONYMS

FMCG Fast Moving Commodity Goods

ETE Ethiopian Trading Enterprise

CS Customer Satisfaction

MS Marketing Strategy

ABSTRACT

With the tight competition in the FMCG industry, customer satisfaction has become the key for success. However, customer satisfaction is not always easy to earn. With this in mind, the research is established with the goal to analyze the impact of 4P's of Marketing Mix towards customer satisfaction on ETE.

Using questionnaires as data gathering instrument with simple random sampling, 150 respondents were gathered from three stores, who are active customers to the company. The data obtained then analyzed using correlations and linear regressions. The result shows that 4P's of Marketing Mix simultaneously has significant impact, however individually 4P's of Marketing Mix only price variable has proven to be significant toward customer satisfaction.

Therefore, companies, especially ETE, Alle Bejemela should focus on of its product and place lineup while maintaining the other factors such as price and product.

Keywords: Marketing Mix (4P), Customer Satisfaction

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CHAPTER ONE

1.1 BACKGROUND OF THE STUDY

Customer satisfaction is an evaluation by the customer, after buying their goods and services. The most popular view of customer satisfaction in academia is that customer satisfaction is the judgment borne out of the comparison of pre-purchase expectations with post purchase evaluation of the product or service experience (Oliver, 1997). Customer satisfaction can result from any dimension (whether or not its quality related) and its judgments may arise from no quality issues (e.g. needs, equity, and perceptions of 'fairness') and require experience with the service or provider (Taylor et al, 1994; Howard and Seth, 1969).

A marketing strategy is a coherent and agreed upon process formed with the aim of increased revenue and market share. Broadly speaking, marketing strategies refer to the set of actions designed to meet your business goals (Taylor et al, 1994; Howard and Seth, 1969).

For the multinational corporation (MNC), the pursuit of a global marketing strategy encompassing a standardized marketing mix (M. Mix) strategy retains the promise of greater opportunities in the borderless marketplace (Dunning, 1993; Kustin, 1993; Roth, 1995). These strategies also offer the opportunity to develop higher quality products by obtaining greater efficiencies of production, through lower costs associated with economies of scale (Levitt, 1983), outsourcing (Kotabe, 1990; Keegan & Green, 2003), developing priority locations for manufacturing (Dunning, 1998), distribution (Rosenbloom, Larsen, & Metha, 1997) and economies of scope (Yip, 1989).

Gronroos argues that the 4Ps framework has won an overwhelming acceptance among marketing practitioners, noticing that “. . . Marketing in practice has, to a large extent, been turned into managing this toolbox . . . ”, a point shared by Goldsmith who argues that the “. . . time-honored concept of the 4Ps—the Marketing Mix . . . ” is the heart of the contemporary marketing management

Firm's performance measured against standard or prescribed indicators of effectiveness, efficiency, and environmental responsibility such as, cycle time, productivity, waste reduction, and regulatory compliance (Oliver, 1997).

Strong linkages have been apparent between service quality dimensions (for example fast responses to enquiries) and overall customer satisfaction (Anderson and Sullivan, 1993). But much debate arises from whether customer satisfaction is an antecedent of service quality judgments (Banter, 1990; Parasuraman, et al, 1985) or the other way round (Anderson and Sullivan, 1993; Cronin and Taylor, 1992; Taylor et al, 1994).

Customer satisfaction is widely recognized as a key pressure in the formation of consumers' future purchase intentions (Taylor and Baker, 1994). Satisfied customers are also likely to tell others of their favorable experiences and thus engage in positive word of mouth advertising (File and Prince, 1992; Richens, 1983). This positive word of mouth advertising is particularly useful in collectivist African cultures like that of Ethiopia where social life is structured in a way to improve social relationships with others in the society (Hofstede, 1980; Hall and Hall, 1987). Dissatisfied customers, on the other hand, are expected to switch brands and engage in negative word of mouth advertising.

Wholesaling can consider the business that really appreciates the value of building long-term relationships with customers. In today's highly competitive, increasingly consolidated world, offering personalized and differentiating services and goods can be critical to a wholesaler success.

In Ethiopia customer satisfaction is the key to the profitability of firms, it implies the retention of customers for the long term, which is cheaper than attracting new customers. In the current circumstances of business in the Ethiopia particularly with wholesaling becoming larger, the closure of branches the question arises whether the customers are satisfied or otherwise and what are the elements of wholesaling which lead to the satisfaction or dissatisfaction of customers. The knowledge of current levels of satisfaction and, in particular, the key determinants of satisfaction benefit those in the industry allowing them to focus and build upon key areas that lead to highly satisfied customers. Results highlight that in-branch factors particularly staff; branch location and convenience are the most significant factors influencing customer satisfaction in retail business.

In Ethiopia, there are many wholesalers serving many retailing customers. The retail and wholesaling business in Ethiopia play a main role in improving economic growth.

However, the benefits of effective and active customer involvement would suggest that there are gains to be made from attempting to address such management problems. One particular issue concerns the motivation of customers to accept the role of partial employees and to recognize the value of active participation in product delivery.

This brief review of the literature on customer participation suggests that there is or must be an association between product quality, relationship satisfaction and customer participation.

The issue of causality is undoubtedly complex; participation should result in an improved quality of service and this may be seen as an antecedent of satisfaction.

At the same time, greater participation may only occur if preceded by the assurance of better service. While it may be difficult to identify uniquely the direction of cause and effect, there are good grounds for expecting a greater degree of customer participation to be at least associated with better quality of service and greater levels of customer satisfaction.

1.2 Background of the company

ALLE is the trade name **of Ethiopian Trading Enterprise**, a public enterprise, initiated by the Ethiopian government. The primary mandate of the enterprise is to increase affordability of goods to consumers, support increased competition and investment in the private sector, and facilitate the development of a modern trade sector in Ethiopia.

The state enterprise that has an authorized capital of one billion birr, of which a quarter is paid-up capital, was initiated by the Ethiopian Government to be a commercially viable and privately managed business.

Alle aims to develop a commercially viable business, while reducing consumer costs and inflation within the country. Their vision is based on the belief that Ethiopians deserve a higher quality of life and a brighter future.

By developing an efficient distribution platform, providing quality goods at competitive prices, and building a profitable business, can achieve their goal and create a lasting impact in their communities.

The enterprise is utilizing information communication technology to ascertain efficient storage and distribution of products and transparency in the trading business, according to Regulation No. 285/2013 which legally established the Ethiopian Trading Enterprise by the Council of Ministers.

As a Cash & Carry wholesale store, Alle will provide retailers with a broad product assortment under one roof:

Store offering: Broad product assortment under one roof & Self-service by customers

Operations: All payments in cash & Transport arranged by customers

Target customers: Kiosks& Food services (Restaurants, Cafés

Alle's value proposition provides a unique set of benefits for suppliers and retailers.

For the suppliers:

Reliability: Professional counterpart in line with international standards (e.g. on payment)

Growth: Unprecedented reach for distribution to all regions of Ethiopia

Efficiency: Focus on efficiency and limited internal margins to optimize value-for-money

Innovation: The strategic partner for introduction and development of brands in Ethiopia

Development: Strong support for investors into Ethiopia's FMCG manufacturing base

For the Customers:

price: Attractive wholesale prices , Low price fluctuations

One-stop-shop: Broad product range, Various price & quality levels

Availability: Reliable supply chain for high availability of products across seasons

Relation-ship: Deep product knowledge, Targeted key account management

Proximity: Stores in close proximity to customer's way to ensure that customers are satisfied with high service levels at acceptable prices. Based on this strategy, the focus is now shifting towards making products available with known product brands mix.

1.3 STATEMENT OF THE PROBLEM

The studies which related to the subject of the degree of customer satisfaction of the products that provided by wholesalers in Ethiopia are few, and significance of customer satisfaction about the retailers in Ethiopia are different from other countries because of demographic, social, economic, political, and technological environment factors. Some factors that related to customer satisfaction are important in some countries and less important in others, in issues that related to retailing that offered by Ethiopian firms. Areas

which were found to be particularly problematic included knowledge and understanding of the degree of customer satisfactions.

Yet, in the current environment of increased competition with rapid market entry of new service concepts and formats, the customer satisfaction also presents a challenge of a more in-depth understanding of the complex relationship between the degree of services that provided by wholesalers and customer satisfaction of these wholesalers. Although the range and variety of products available to customers have expanded, the management of the retailing relationship continues to be problematic. In part this may reflect failures on the part of the retailers. In addition, the researcher argues that such problems may also arise as a consequence of the reluctance of some customers to participate in the retailing relationship.

Therefore, this study would like to identify the range of effect of marketing mix on customer satisfaction. Currently in the Addis Ababa, there are several types of FMCG wholesalers available which provide their service in different prices, quality, product types features, and promotional strategy. . This study analyses the marketing mix and customer satisfaction towards the purchasing of products.

1.4 Objective of the study

1.4.1 General Objective

The general objective of this research is to assess modern wholesaling of FMCG industry on retailers in Addis Ababa considering the effects of Marketing mix strategy on Customer Satisfaction.

1.4.2 Specific Objectives

- To determine products that meets the needs of customers
- To analyze impact of price the intended retailers willing to pay.
- To analyze impact of distribution channels the potential customer desire.
- To analyze impact of the business's promotion have on customers.

1.5 THE SIGNIFICANCE OF THE STUDY

Wholesalers need to generate a pool of information in order to introduce products and services that create value in the mind of retailers. The value of what the customer perceived is a subjective one, the attributes that create value can not simply be deducted from common knowledge. Rather, data must be collected and analyzed. The purpose of this marketing research is to provide the facts and direction that managers need to make their more important marketing decision. The strength of this research lies on its specific focus on the connection between the customers satisfaction with the international marketing mix model, the four Ps

A survey of small business managers in Texas revealed that 84 percent of those who conducted formal marketing research projects in the past three years felt that the information obtained was worth the money spent. Overall, 58 percent said that they were

able to incorporate the research findings into their decision-making process. Only six percent reported that they were not able to implement the results. Consequently, when small businesses do engage in marketing research the benefits usually exceed the costs.

This research enable the retail stores to gain insight into future industry trends that will affect its business, get data and analysis in the most cost-effective and flexible way and draw on essential information without being overwhelmed by unnecessary detail.

It is anticipated that the findings of this research will harvest benefits as follow:

1. Elucidate a clear picture on the connection between the customers satisfaction with the international marketing mix model, the four Ps.
2. The four Ps are the parameters that the marketing manager can control, subject to the internal and external constraints of the marketing environment.
3. Gain insight into future industry trends that will affect its business.
4. Understand the customer.
5. Make value for customer.

1.6 Delimitation of the study

ETE is planning to operate in 35 different cities in Ethiopia, and currently has opened 7 stores in total since now.

Geographical Scope: Due to time and resource constraint the study will only focus on stores located within Ethiopian capital, Addis Ababa. The number of stores currently operating in Addis Ababa totals 3 and operate in the areas of Bole, Kaldi and Merkato. And among its customers, the study will focus on that are involved on retailing business activities (kiosks) who are active customers at these 3 Stores.

1.7 DEFINITION OF TERMS

1.7.1 Marketing Mix

Marketing mix is a model of creating and implementing marketing strategies. It stresses the blending of various factors in such a way that both organizational and consumer objectives are attained. The elements are the marketing tactics, also known as the 'four Ps', the marketing mix elements are price, place, product, and promotion. When blending the mix elements, marketers must consider their target market. They must understand the wants and needs of the market customer then use these mix elements in constructing and formulating appropriate marketing strategies and plans that will satisfy these wants. These four P's are the parameters that the marketing manager can control, subject to the internal and external constraints of the marketing environment. The goal is to make decisions that center the four P's on the customers in the target market in order to create perceived value and generate a positive response.

1.7.2 Customer Satisfaction

Customer satisfaction is a perception. It is also a question of degree. Providing quality products and services is all about meeting customer requirements. Customer satisfaction, a business term, is a measure of how products and services supplied by a company meet or surpass customer expectation. It is seen as a key performance indicator within business and is part of the four perspectives of a Balanced Scorecard. In a competitive marketplace

where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy. The four key steps for successful marketing are identified as understanding the customer, making value for customer, communicating the value to target market, and making it easy for the customer to buy.

1.8 Organization of the Thesis

The study will be comprised of five chapters, a list of references. The five chapters include: introduction, review of literature, methodology, data analysis and interpretation; and conclusion.

Chapter one is the introduction. It addresses the background of the study, background of the company, statement of the problem, objective of the study (general & specific objectives), scope of the study, and significance of the study, Delimitation of the study, definition of key terms and organization of the study.

Chapter two provides a review of related literature. It examines the effects Customer service, operational performance and marketing strategies in different FMCG sectors around different countries on customer satisfaction.

The third chapter focuses on the research methods for this study. This chapter highlights the research design to be used, the procedures of defining the population, sampling frame, sampling technique, sample size determination, sources of data and data collection instruments, and data analysis method are discussed.

Chapter four includes the data analysis and interpretation part. Lastly, the last chapter which is “chapter 5” provides an overall summary of the research findings and provides the conclusion to the results.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

In this chapter, the writer will explain all the concepts and relevant researches related to marketing mix factors (product, price, place, and promotion), and customer satisfaction. Relationship between marketing mix towards consumer satisfaction will also be discussed as the basis of this research.

Marketing Mix

In 1948 Marketing Mix was first developed by James Culliton (The Marketing Mix , 2012) , using the concept from James Culliton , Jerome McCarthy developed the concept of 4P's in 1964, Jerome McCarthy divided the marketing mix into four factors, which are product, price, place, and promotion (Goi, 2009). While according Kotler and Keller (2015), Marketing Mix is a marketing tool used by the company to reach marketing objectives in fulfilling the target market. On the other hand customers described 4P's as the marketing tools used by companies to create profit (Kotler & Keller , 2015) .

According to Cravens (2000), Product can be defined as “everything that potentially has value to the target market that can give benefits and satisfaction that include products and services”

Price is the amount of money that is imposed on a product or service, or the value of the exchange by the consumer with the benefits due to the ownership or usage of the

product or service or simply the amount of money a buyer must pay to obtain the right to use or own the product (Hawkins, 2010).

According to Hawkins (2010) Place is a channels used to get the products to the target customers inside and outside the company, where target customers usually makes the purchase.

Promotion according to Hawkins (2010) is basically the signal or information that the firm provides about itself and its products to different parties or target customer, in order for customer to be loyal first the product needs to grab the potential customer's attention..

RETAILING

Retailing refers to all activities directly related to the selling of small quantities of goods and services, at a profit, to the ultimate customers for personal consumption and nonbusiness use (Mohd-Said, 1990). Retail trading encompasses a wide variety of goods and services, ranging from household items to food and accessories. Literature has highlighted many attempts to classify the retail trade. Guy (1980) for instance has categorized retail trade into three groups:

- (a) convenience goods which include groceries and daily provisions;
- (b) shopping or comparison goods which refer to relatively more expensive items bought at less regular intervals; and
- (c) specialty goods which are unique items that appeal to customers of the higher income level.

Other scholars (Ahmad et. al., 1996; Nik Yacob et. al., 1992; Cox, 1988) have divided retail trade into small-scale and large-scale establishments. The small-scale retailers include the single-proprietor stores and non-store operators such as hawkers, peddlers and market stalls. Whilst the large-scale retailers include superstore, discount store, department store, supermarket, hypermarket and shopping center.

Modern wholesaling service has become very much important in the competitive environment. Service quality has been widely used by the as one of the important strategy. The sector is witnessing a radical change as traditional wholesaling markets are replacing with new formats such as cash and carry stores, departmental stores, hypermarkets, supermarkets etc. In this competitive environment the modern wholesalers are more forced to concentrate towards customer perception. Service quality and customer perception, by making products available with the right depth of product mix, are thus the two core concepts of contemporary marketing theory and practice in the industry. The link between service quality and customer perception is now firmly established, and it has been shown that this link subsequently produces higher revenues, increased cross-sell ratios, higher customer retention, repeat purchasing behavior, and expanded market share.

For the purpose of the study, several articles and websites were reviewed. As the study is about, marketing strategy, operational performance and its impact on the customer buying behavior in Cash & Carry Store, AlleBejemela, it was very important to read various articles about customer satisfaction, wholesale & retail service quality, customer buying behavior etc. With the help of the literature reviewed, the study will become simpler and clearer. In this chapter, Most of the literature read in various research papers has been briefly explained below:

2.2 Theoretical review

2.2.1 Product mix and availability

Product mix and availability impact demand and cost considerations in many markets particularly those for which storage costs or capacity constraints matter. For example, the choice of product mix, stocking levels, product placement, and shelf-space coverage impact almost all retail markets; transportation and performance event industries face critical decisions about capacity and mix of seating types; and capacity decisions also impact the provision of health care and school choice. Firms in these markets may optimize over product mix and availability to influence consumer decisions about where to shop and when to make purchasing decisions. In vertically-separated markets, optimal product and stocking choices for downstream firms may differ substantially from those of the competing manufacturers whose products the downstream firms carry. In such settings, manufacturers tend to produce a wide array of product varieties and to use vertical arrangements to try to align the stocking decisions of the downstream firms with their own interests. Despite the key role that product availability can play in many markets, little empirical evidence exists on the importance of product availability for firm profits or consumer choices.

For the purpose of the study, articles and websites were reviewed. As the study is about cash and carry stores product availability & Service Quality and its impact on the customer buying behavior in Cash & Carry Store, Metro, it was very important to read various articles about customer satisfaction, service quality, customer buying behavior etc. With the help of the literature reviewed, I hope the study will be a bit simpler and clearer. In this chapter, Most of the literature read in research papers has been briefly explained below: J. Beneke, C. Hayworth, R. Hobson and Z. Mila (2012) in their article:

‘Examining the effect of retail service quality dimensions on customer satisfaction and loyalty: The case of the supermarket shopper’ have tried to study in their article about the impact of retail service quality in a supermarket shopper. The results from the PLS analysis into the path model show that a statistically significant relationship exists between only two of the five Retail Service Quality dimensions and Satisfaction at or below the 10 per cent significance level. These two factors are Physical Appearance and Personal Interaction. Reliability was shown to be very weakly linked to Satisfaction (i.e. significant only at the 20 per cent significance level). The remaining two factors, Problem Solving and Policy, do not appear to have a significant effect on Satisfaction. As anticipated, the analysis revealed that a strong relationship existed between Customer Satisfaction and Loyalty. This was not at all surprising, as this relationship has been well documented in previous studies. Physical Aspects was found to be the most important predictor of Customer Satisfaction. The effect was considerably stronger than any of the other relationships explored. This reinforces the notion that the physical environment needs to be clean, well-structured and adequately maintained. As the mainstay of supermarket stores is grocery sales, it appears that customers want to shop in an environment which is deemed safe and healthy. Furthermore, the design needs to be optimized so as to maximize convenience. As grocery shopping is perceived as unglamorous (even a grudge purchase) by many consumers, it would appear that consumers are seeking a hassle free experience. Personal Interaction was also found to be significant. This factor relates to the way in which customers perceive the staff. It would appear that customers cherish an environment in which staffs are knowledgeable, friendly and willing to assist. This is an issue which has plagued many supermarket chains where staffs are paid minimum wage and are employed on a casual basis. Connected to the convenience issue highlighted above, staff should be present on the shop floor to direct customers when lost and navigational assistance is required. Cashiers are considered by some to represent the ‘face’ of – the hence a brand positive experience at the till point clearly makes a noteworthy impression on the customer. Reliability was found to be very weakly connected to customer satisfaction, however no statistical significance was recorded at either the 5 per cent or 10 per cent level, meaning that no meaningful association was found to exist. This factor considered issues such as stock availability, the visibility of shelf prices, as well as information pertaining to sales promotions and queue

lengths. It is surmised that most supermarket stores are very similar in this regard, and that customers therefore do not see sufficient grounds for differentiation. Furthermore, it is possible that many may have come to expect average service delivery in this regard, and hence lowered expectations to match performance. For these reasons, customers may not see this as being a noteworthy antecedent of customer satisfaction. Somewhat counter-intuitively, no evidence was found to support the notion that Problem Solving and Policy were significant influencers of customer satisfaction. Here, problem solving (considering complaints and returns), was deemed somewhat irrelevant. Again, this may be due to apathy on the part of the consumer. Anecdotal evidence suggests that many customers would rather dispose of an unwanted grocery item than spend time in returning it. It is likely that many customers have never bothered to submit a complaint or return groceries; therefore this factor may be superfluous to them.

2.3 Empirical review

Anderson et al. (1976) and Laroche (1988), researchers of customer satisfaction underlying position are the customer benefits of convenience and accessibility which are enabling factors that make it easy for the customer to do business with the wholesalers. The business ability to deliver these benefits on a continuing basis to its existing customers will probably impact on customer satisfaction.

Earlier research by Brownlie, (1989) has recommended that some consumers have positive attitudes towards wholesale business based on dominant perceptions of Convenience/ accessibility/ ease of use.

In addition, Leonard and Spencer (1991) argue that consumers perceive that distribution outlets are indicative of achievement and contribute towards a positive organizational image.

Figures of surveys have also shown that the costs of acquiring a new customer are more expensive than retaining accessible ones. (Reichheld et al, 1990; Reichheld, 1996). Investments in customer satisfaction, customer relationships and service quality leads to profitability and market share (Rust and Zahorik, 1993). Customer satisfaction and High quality service often outcome in more repeat purchases and market share improvements (Buzzel and Gale, 1997).

Customer satisfaction leads to customer loyalty and this leads to profitability (Hallowell, 1996).

The costs of customer acquisition are much higher than the costs of retention (Reichheld and Sasser, 1990). Service quality is accepted as one of the basics of customer satisfaction (Parasuraman, Zeithaml and Berry, 1994).

The service management literature discuss that customer satisfaction is the outcome of a customer's perception of the value received in a transaction or relationship – where value equals perceived service quality relative to price and customer acquisition costs (see: Blanchard and Galloway, 1994; Heskett et al., 1990) – relative to the value expected from transactions or relationships with competing vendors (Zeithaml et al., 1990).

Similarly, research literature has measured trust as a feature with a great influence on the degree of satisfaction at the level of the relationship between producers and consumers through distribution channels (Anderson and Narus, 1990).

Given that the customer complains, the business response can guide to customer states ranging from dissatisfaction to satisfaction. In reality, anecdotal evidence suggests that when the service provider accepts responsibility and resolves the trouble, the customer becomes —bonded‖ to the business (Hart et al., 1990).

Reichheld and Sasser (1990) have recognized the benefits that customer retention delivers to a service firms. For instance, the longer a customer stays with wholesaling firms the more utility the customer generates. This is a result of a number of factors relating to the time the customer spends with a wholesaler. These comprise the higher initial costs of introducing and attracting a new customer, increases in both the value and amount of purchases, the customer's better understanding of the wholesaler, and positive word-of-mouth promotion.

The survey by Leeds (1992), who documented that approximately 40 percent of clients, switched wholesalers because of what they measured to be poor service. Leeds further argued that nearly three-quarters of the wholesaler's customers mentioned teller courtesy as a key consideration in selecting a wholesaler. The survey also showed that increased use of service quality/sales and professional behaviors (such as formal greetings) enhanced customer satisfaction and reduced customer attrition.

Fornell (1992), in his research of Swedish consumers, observations that although customer satisfaction and quality become visible to be important for all companies, satisfaction is more important for loyalty in industries such as, insurance, , automobiles, mail order and wholesalers. Cronin and Taylor (1992) undertook an empirical test of the reciprocity between satisfaction and quality through a number of service industries. A favorable image

is viewed as a critical aspect of a company's ability to maintain its market place, as image has been related to center aspects of organizational success such as customer patronage.

It is generally accepted that customer satisfaction often depends on the quality of product or service contribution (Anderson and Sullivan, 1993). Oliver's (1993) review of the issues suggests that service quality is antecedent to satisfaction and is non-experiential in nature (i.e. like to attitude which can be formed from other sources such as word of mouth communications).

Overall consumer satisfaction thus reveals the general evaluation of the events carried out by a given business in relation to expectations accumulated behind different contact between the consumer and business (Bitner and Hubber, 1994). Customer satisfaction is an important theoretical as well as practical issue for most marketers and consumer researchers (Piercy, 1994).

Parasuraman et al (1994), match the point that service satisfaction and satisfaction with price were essentials in the overall satisfaction measurement. The measurements used in Hallowell's survey were fairly comprehensive; concluding that all the basics measured had an impact on overall satisfaction. But the service features of branch, staff and information were established to be more significant.

Reidenbach (1995) argued that customer value is a more viable factor than customer satisfaction because it includes not only the usual benefits that most wholesalers focus on but also a consideration of the price that the customer pays. Customer value is a dynamic that must be managed. Customer satisfaction is merely a response to the value proposition offered in specific products/markets (Reidenbach, 1995).

Levesque and McDougall (1996) indicate that customer satisfaction and retention are critical for wholesalers. They study the major determinants of customer satisfaction (situational factors, service quality, service features, and customer complaint handling), and future intentions in the wholesales sector. Bloemer (1998) study how satisfaction, image, and perceived service quality determine loyalty in wholesalers.

Wholesalers lose satisfied clients who have moved, retired, or no longer need certain services. As a result, retaining customers becomes a priority. Earlier research shows, however, that longevity does not automatically leads to profitability (Colgate, Stewart, and Kinsella, 1996).

Factors related to service offerings are furthermore related to customer satisfaction (Levesque and McDougall, 1996). As said by Levesque and McDougall (1996), convenience and

Competitiveness of the wholesalers are two main factors which are likely to influence the overall satisfaction levels of a customer.

Study by Hallowell (1996), moreover examined customer satisfaction but in relation to loyalty. Conversely, Levesque and McDougall (1996) comprehensively analyzed the effects of service quality, service features and customer complaint handling on customer satisfaction in the Canadian wholesaling sector. Their result proposes that satisfaction determinants in wholesaling are driven by an amount of factors including service quality dimensions.

Reichheld (1996) suggests that unsatisfied customers may select not to defect, because they do not expect to receive better service in a different place. Furthermore, satisfied customers may search for other providers because they believe they might receive better service in another place. Conversely, keeping customers is also dependent on a number of other factors.

Levesque and McDougall (1996) comprehensively analyzed the effects of customer complaint handling, service quality, and service features on customer satisfaction in the Canadian wholesaling sector. Their result recommends that satisfaction determinants in wholesalers are driven by an amount of factors including service quality dimensions. Key variables explain customer satisfaction in the service quality domain were – core and relational performance, problem encountered and satisfaction with problem recovery. The provider's contribution can also be expected to affect customer satisfaction (overall) and continuing patronage. Levesque's and his colleagues (1996) survey indicated that the wholesaling features (e.g. location), the competitiveness of the wholesalers interest rates, the customers' judgments about the wholesalers employees' skills and whether the customer was a borrower were all factors that drove customer satisfaction, while wholesaler's features and competitive interest rates were important contributors. Conversely, this study did not categorically point out which had more influence; rather both core and relational issues were categorized as one for wholesalers to consider when satisfying customers.

Johnston (1997) forwarded the idea that wholesalers in general were in effect `barking up the wrong tree by improving service quality efforts that had small or no effect on improving customer satisfaction. The study was one of the few examining customer

satisfaction in the UK wholesale setting, which focused on quality issues. Johnston (1997) suggests that satisfaction /dissatisfaction with wholesalers does not stem from the similar elements. Rather, some elements of service quality if enhanced, improve customer satisfaction however other elements may not develop satisfaction but merely act to keep dissatisfaction at bay or at best, reduced dissatisfaction alone. This trend of idea emanates from the hygiene factors of Herzberg's motivation theory. Johnston recognized 18 determinants of service quality suggesting that certain actions such as raising the speed of processing information and customers, delighted customers whilst improving the reliability of equipment lessened dissatisfaction.

Press and his colleagues (1997) noted that the issues most highly linked to overall satisfaction involve complaint management. Efficiently handling problems, being attentive to concerns, and being capable to resolve troubles over the telephone emerged as critically vital to wholesalers customer satisfaction.

Tax and his colleagues(1998) used a four-item tool to measure satisfaction with —complaint handling. In their experimental studies Smith and Bolton (1998) used a four-item (restaurants) and a one-item instrument (hotels) to determine —cumulative satisfaction.

Relational benefits can then be considered as an essential factor for satisfaction with financial businesses. for that reason, relational benefits meaning special treatment, confidence and social benefits, which were identified by Gwinner and his colleagues (1998), would have a great power on customer satisfaction with their habitual establishments.

In a further study by Krishnan, Ramaswamy and Venkatram (1999), satisfaction with perceived product quality was suggested as a main driver of overall customer satisfaction.

Beckett et al. (2000) illustrate tentative conclusions as to why consumers emerge to stay loyal to the similar financial provider, even though in many instances they hold less favorable views toward these service providers. For instance, many consumers emerge to perceive small differentiation between financial providers, making any change essentially worthless.

A number of researchers as well as Parasuraman, Zeithaml, Berry, Bitner, Bolton, and Drew maintain the idea that customer satisfaction leads to service quality (Lee et al., 2000). This group of researchers sees service quality as a long-run overall evaluation while the customer satisfaction is a transaction-specific evaluation. Other researchers such as Cronin, Taylor, Spreng, Mackoy, and Oliver suggested that service quality is an antecedent of customer Satisfaction (Lee et al., 2000).

In the year 2000, the Cruickshank Report was unveiled (Cruikshank, 2000). The Report categorically acknowledged that service quality was low in wholesaling in the UK, implying low customer satisfaction. Arising partly from the conclusion of the Cruickshank Report and the fact that a large-scale study on customer satisfaction in the wholesaling sector in UK is scant and examined.

Wong and Kanji (2001) discussed and experienced an extended customer satisfaction model in the wholesaling industry in Hong Kong. They built the extended model on the thought that evaluation of customer satisfaction in the wholesaling industry is a function of

overall customer expectation, perceived value and quality perception, whereas customer loyalty is a function of both perceived value and customer satisfaction.

Duborvski (2001) described a multi-phases model of consumer's buying decision and the task of customer satisfaction in achieving business excellence. The writer indicated that existing studies confirm important connection between satisfaction levels, on one side, and repeated buying, greater brand loyalty and spreading a positive view of the product, on the other side.

Kristensen, Juhl and Ostergaard (2001) calculated the relationship between customer satisfaction and customer loyalty in Danish retailing business using the European Customer Satisfaction Index (ECSI). The model links customer satisfaction to its drivers (e.g., customer expectation, perceived company's image, perceived quality and perceived value) and, in turn, to its consequences, specifically customer loyalty.

Not like in the USA, Latin America, and South Africa, Othman and Owen (2001) establish that responsiveness, compliance, and assurance, were the dimensions that were most greatly connected with customer satisfaction in the Kuwaiti wholesaling area.

Jamal and Naser (2002) propose that customer satisfaction is based not only on the decision of customers towards the reliability of the delivered service, but also on customers' experiences with the service delivery method.

While Henning-Thurau et al. (2002) explore a non-significant relationship between particular treatment and satisfaction, it is logical to expect that the benefit of particular treatment will have a huge influence on satisfaction within wholesalers. This is due to the

information that special treatment provided by a financial service provider can be perceived as a part of the overall service, so that this benefit will raise customer satisfaction.

Al Zaabi (2002) studied customer satisfaction with bill payment actions at Emirates Telecommunications Corporation, which is identified as Etisalat. The study sample consisted of individual customers and business customers. The author recognized a set of eleven satisfaction attributes that were considered vital to Etisalat's customers with respect to service bill payment and related actions.

Ioanna (2002) additionally proposed that product differentiation is impossible in a competitive environment like the wholesaling industry. Wholesalers all over the place are delivering the identical products. Wholesaling prices are fixed and driven by the marketplace. Therefore, wholesales management tends to distinguish its company from competitors through service quality. Service quality is an imperative factor impacting customers' satisfaction level in the wholesaling industry. In wholesaling, quality is a multi-variable idea, which includes differing types of convenience, reliability, services portfolio, and critically, the staff delivering the service.

Deemas (2002) studied the satisfaction levels of a sample of customers of the Sharjah Cooperative Society (SCS). The primary part asked the respondents to provide universal background information (e.g., gender, age category, nationality and so on). The next part listed the 21 attributes and asked respondents to specify their satisfactions with each attribute using a

5-point Likert-type scale. The outcomes indicate that UAE nationals and Arabs are the most predominant in their contributions to overall satisfaction whereas non- Arabs are the lowest. In addition, the outcomes show no difference in the levels of customer satisfaction between men and women respondents.

Dove and Robinson's (2002) study indicated that wholesaling customers have much superior satisfaction levels when they believe their troubles with the wholesalers have been resolved.

Even though studies have associated demographic variables with customer satisfaction with services in general (Howcroft et al., 2002), only some studies have linked consumer evaluations of service recovery to gender, age, or tenure with the service. On the other hand, Lewis and Spyropoulos (2002) discovered that customers with stretched relationships are more demanding of the service recovery; this may also mean that it takes more to satisfy them.

Equally, Hess et al. (2003) used three things to measure —satisfaction with service performance after recovery and McCullough et al. 2000 used a three-item instrument to measure —final satisfaction/post recovery satisfaction.

Another research (Chien et al. 2003) is also paying attention on measuring customer satisfaction. Measuring factors are: perceived quality and value, customer expectation, satisfaction and loyalty. etc., and they all influence customer satisfaction. Spathis and Constantinides (2003) also shore up the relationship between quality and customer satisfaction based on preliminary enterprise resource planning.

In the investigation from Pan (2003) between four Far Eastern countries the benefits of Iso 9001 certification are: enhanced competitive edge since it is composed of 'improved productivity', 'quality improvements', 'better customer satisfaction', 'increased profit margin', and 'cost reduction'; and enhanced public relations.

In a further study of wholesaling customers, Bosh off and Staude (2003) found that satisfaction was impacted positively by communication, explanation, and atonement in that order while loyalty was just associated with communication and atonement through the service recovery.

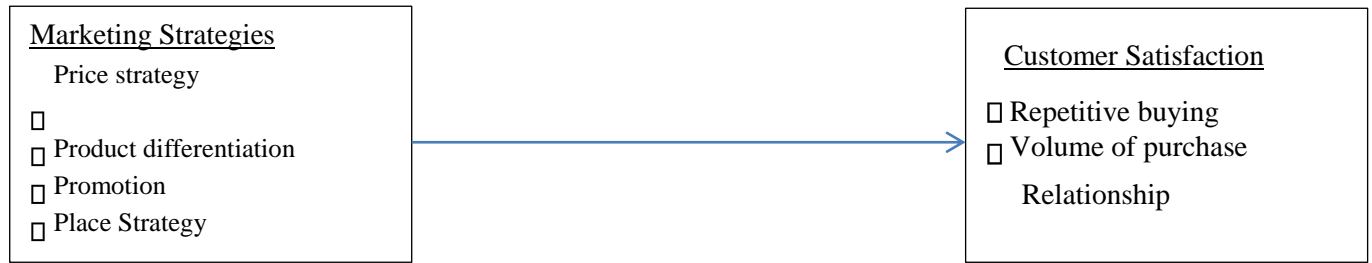
In their investigation, Stauss and Schoeler (2004) have established that effective service recovery is very profitable. Alternatively, not a success to ensure customer satisfaction through service recovery could lead to a decline in customer confidence, lost customers, negative word-of mouth, possible negative publicity, and the direct cost of re-performing the service.

Ho et al. (2005) similarly confirm that quality is the key factor and synonymous with the consumer's ability to select from a wide array of products and features that provide a closer match to person needs and desires. The introductions of quality standards into the Dutch firms enhanced competitive advantage plus customer and employee satisfaction (De Vries and De Jong 2002).

2.4 CONCEPTUAL FRAMEWORK

The following conceptual frame work will clearly depict the relationship between the latent variables Marketing Strategies, organizational profitability and consumer satisfaction.

Figure 1: Conceptual Framework



CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research Approach

Customer satisfaction is an important issue for most marketers. Earlier study has identified different factors that determine customer satisfaction in wholesaling sector in Western countries. The current paper reports findings from a survey, which looked into determinants of customer satisfaction in the wholesaling in Kuwait. A total of 305 questionnaires were randomly distributed to customers of a particular wholesaling in Kuwait. Outcomes indicate that there was a strong relationship between marketing mix and customer satisfaction.. The paper discusses implications for wholesales management.

Quantitative research is appropriate to be used by the researcher because of the purpose of the study which is to examine the impact of Marketing Mix towards customer satisfaction. According to Sibanda (2009) quantitative research is a research focusing on numerical data and generalizing it across groups of people.

3.2 Research Design

According to Cooper (2014), there are four types of research method which are reporting, descriptive, explanatory and predictive. Reporting is a summary of data usually used to get a better understanding or comparison. Descriptive study has a goal to describe a subject using the collection of data and the tabulation of the frequencies on research variables or their interaction. Explanatory study is a study explaining the relationship between two or more variables using theories and hypotheses. Explanatory study is also referred as correlation study. Predictive study is used for determining the

relationship between 2 variables or more to predict the current or future result. This particular research is considered as an explanatory study, since the researcher wants to test the relationships and impact of 4P's of Marketing Mix towards customer Satisfaction at ETE.

3.2 INSTRUMENTATION

The research was carried out by both primary (questionnaire) and secondary data

The questionnaire consisted of two sections. The first part of the questionnaire asked respondents to rate the relative their satisfaction towards the products and services delivered by Allebejimila using a five-point Likert type importance scale ranging from —very importantll to —not important at allll. The Second part elicited sample's personal, demographic and economic characteristics information from the respondents that was deemed necessary to achieve the objectives of the study. Most of these factors have been adapted from previous wholesales patronage studies; Anderson et al. (1976), Kaynak (1986), Laroche et al. (1986) and Erol and El Bdour (1989).

Similar likert scale measured questions related to profitability, market share was used to asses' organizations performance.

3.3 STUDY POPULATION AND SAMPLING PROCEDURE

To test the hypotheses, the researcher of this study collected data Addis Ababa cash and carry stores of Alle Bejemela located in Addis Ababa. Currently there were a total of 248 active retailing customers (kiosks) available in the 3 Cash & Carry stores currently.

The Yamane formula assumes a normal distribution. The CIMA members are assumed to be normally distributed in terms of the parameters for interpretation of their perceptions of the skills required and applied in practice. The Yamane formula could therefore be considered suitable for determining an appropriate sample size:

$$n = \frac{N}{1 + Ne^2}$$

Where: **n = 153**.... required responses

$e^2 = 0.05$ Error limit

$N = 248$ sample size

3.4 RESEARCH DESIGN

Survey forms were developed, and selected the three sites to distribute the survey. Customers were randomly selected from retail firms who visited the sampling locations during the chosen time intervals, in order to eliminate the sampling frame errors and to ensure the representation of the population under study in the sample units. Questionnaires were distributed during various working hours of the same day (morning and evenings), as well as various days of the week, to reduce any potential bias owing to high concentration of specific customers during certain hours of the day, or certain days of the week or month.

A total of 153 forms were distributed in equal numbers. Distribution took place in a two week period in the month of Dec, 2017. Active customers were approached, explaining the nature of the study and asked if they would be prepared to fill in the questionnaire. The survey was designed to obtain information about the determinants of customer's wholesaler's selection criteria. The full survey of 153 retail customers living in Addis Ababa City was undertaken in the December 2017.

The survey took approximately 15-20 minutes to complete. The eligibility criteria were to be an active retail customer and to reside in the specified city.

3.5 DATA COLLECTION PROCEDURE

Two days, especially Saturday and Thursday, are known as peek-days in retail business. Therefore, these two days were used for data collection so that high reliability of responses could be maintained. Fifty structured questionnaires were administered for 3 each group of retailing customers purchasing in the three stores of Addis Ababa. The parking and exit gate were used for the data collection purposes. Orientation on how to administer the questionnaire was given to data collectors beforehand. During the data collection process, the data collectors first explained the respondents about the questions in the questionnaire and requested to provide with factual information. The questionnaire was prepared in Amharic as well as in the English language to enhance the reliability of the study.

3.6 TOOLS AND METHODS

STATA version 13 was used to tabulate and analyze the valid responses. At the beginning, a comprehensive data file will be created. Then, variables and their labels were defined. Few statistical tools such as Mean, Standard Deviation were used for the analysis.

The structural equation model was used appropriately. Model was designed using SEM model builder then estimates of each path will be determined for all measurement and latent variables.

3.7 Ethical Considerations

All information gotten from the respondents were treated with confidentiality without disclosure of the respondents' identity. Moreover, no information was not modified or changed, hence information gathered will be presented as collected and all the literatures Collected for the purpose of this study will be appreciated in the reference list.

CHAPTER FOUR RESULTS AND DISCUSSION

4.1 Descriptive Analysis

The sample of 150 customers was interviewed in retail business .Three-quarters of the sample were working, and the average age was 35. The following figures and Table 2 and Table 3 represent the demographic factors.

Table 1: Sex Distribution of Respondents

Sex of Respondents	Proportion	Std. Err.	[95% Conf. Interval]	
Female	.27	.0446196	.1909559	.3669243
Male	.73	.0446196	.6330757	.8090441

Source: Questionnaire, 2017

This study has gathered data majorly from male respondents. These targets were selected default.

Consequently, 27% of the participants were female.

Table 2: Marital Status of Respondents

Marital Status	Proportion	Std. Err.	[95% Conf. Interval]	
Single	.38	.0487832	.2889685	.4803357
Married	.17	.0377525	.1075014	.2583173
Divorced	.27	.0446196	.1909559	.3669243
Other	.18	.0386123	.1155339	.2694776

Source: Questionnaire, 2017

The above table shows most of the respondents who involved on this study are single or not married. This has been indicated as 38%. Whereas 27% of the respondents was divorced.

Table 3: Educational Level of Respondents

Educ Qual	Proportion	Std. Err.	[95% Conf. Interval]	
Illiterate	.15	.035887	.0916967	.2357524
Certificate	.33	.0472582	.243738	.4294547
Diploma	.24	.0429235	.1652576	.334981
Degree	.27	.0446196	.1909559	.3669243
MSc	.01	.01	.0013594	.069729
PhD	0	0	0	0

Source: Questionnaire, 2017

As per the analysis 33% of the respondents who participated in the study are certificate holders followed by degree and diploma holders.

Table 4: Customer Satisfaction Response

Customer Status	Frequency	Percentage
Satisfied	50	33.3
Dissatisfied	100	66.7

Source: Questionnaire, 2017

The above table implies that 33.3% of the customers of Ale bejimila are satisfied with the customers' service provided by the company. The key factors in which those customers replied as a factor are related with issue of transportation and pricing.

Table 5: Descriptive Statistics of product Factor

	N	MINIMUM	MAXIMUM	MEAN	STD DEVIATION
A good selection of products present.	150	1	4	4.15	.945
Fast moving products have low stock outs	150	1	4	4.15	.942
Advertised merchandise in stock.	150	2	4	4.16	.865
store provides you the service & products at the right promised time	150	1	4	4.15	.989
A good selection of products present.	150	1	4	4.14	.919
EDITED MEAN				4.15	

Source: Questionnaire, 2017

The highest score for product factor is set for the Alle store offers Advertised merchandise in stock.

Table 6: Descriptive Statistics of product Factor

	N	MINIMUM	MAXIMUM	MEAN	STD DEVIATION
The price of the products are below competitive Prices	150	1	4	3.98	1.081
There is very low price Fluctuation on products	150	1	4	4.16	1.070
the store design enables me to move around with ease	150	1	4	4.07	.902
the layout that allows me to easily find the products I need	150	1	4	3.85	.981
The price of the products are below competitive Prices	150	1	4	3.81	1.013
EDITED MEAN				3.974	

Source: Questionnaire, 2017

The highest score for price factor is set for that there is very low price Fluctuation on products

Table 7: Descriptive Statistics of Place/Distribution Factor

	N	MINIMUM	MAXIMUM	MEAN	STD DEVIATION
The Store is located at a convenient place for shopping	150	1	4	3.99	1.180
Transportation for travelling the goods is easily available	150	1	4	3.90	1.068
The store is big enough to carry well stock of diverse products	150	1	4	3.88	1.127
EDITED MEAN				3.923**	

Source: Questionnaire, 2017

The highest score for Place/Distribution is set for the store's layout makes it easy for respondents to find what they need.

Table 8: Descriptive Statistics of Promotion Factor

	N	MINIMUM	MAXIMUM	MEAN	STD DEVIATION
The store attractive promotional products	150	1	4	3.76	1.050
The store do good promotions through different medias	150	1	4	4.01	1.216
there a reasonably applicable Good returns policies	150	1	4	3.77	1.269
EDITED MEAN				3.846**	

Source: Questionnaire, 2017

The highest score for Place/Distribution is set for The store do good promotions through different medias are available in the respective store. The conclusion for descriptive analysis is “value for money and don’t waste time”.

Table 9: Descriptive Statistics of Marketing Mix Model, 4Ps

	N	Minimum	Maximum	Mean
Descriptive Statistics of Product Factor	150	1	4	4.15
Descriptive Statistics of Price Factor	150	1	4	3.974
Descriptive Statistics of Place/Distribution Factor	150	1	4	3.923
Descriptive Statistics of Promotion Factor	150	1	4	3.846
Attribute Mean				3.974

Source: Questionnaire, 2017

From the table, we can conclude that Product factor has the highest mean. Meaning the product factor rank the highest in terms of satisfaction perceived from customer from the four retail outlet, followed by price factor, place/distribution factor and promotion factor. Table 10: Motivating factor

	Frequency	Percent	Valid Percent	Cumulative Percent
Price	60	46.8	46.8	46.8
Promotions	40	21.0	21.0	67.8
Place/Distribution	35	17.6	17.6	85.4
Product	15	14.5	14.5	100.0
Total	150	100.0	100.0	

According to the output of motivating factor from SPSS, price is the most motivating factor (61.3%) followed by promotions (21.0%), place/distribution (17.6%) and last but not least product (14.5%). It simply means that customer perceive value of price is the highest factor which drive them to shop at the respective retail store followed by promotions, place/distribution and product.

4.2 Correlational and Regression out put

Table11: Correlation between marketing mix and customer satisfaction

	Product	Product	Price	Place	Promotion	Satisfaction
Product	Pearson Correlation	1	.480**	.406**	.462**	.490**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	150	150	150	150	150
Place	Pearson Correlation	.480**	1	.491**	.422**	.466**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	150	150	150	150	150
Price	Pearson Correlation	.406**	.491**	1	.491**	.643**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	150	150	150	150	150
Promotion	Pearson Correlation	.462**	.422**	.491**	1	.588**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	150	150	150	150	150
Satisfaction	Pearson Correlation	.490**	.466**	.643**	.588**	1
	Sig. (2-tailed)		.000	.000	.000	
	N	150	150	150	150	150
**. Correlation is significant at the 0.01 level (2-tailed).						

Results of the correlation revealed that product, place, price, and promotion have relationship with satisfaction. Values are 0.490, 0.466, 0.643 and 0.588 respectively. Marketing mix such as product (0.490), and place (0.466) have moderate relationship with customer satisfaction. Price (0.643) and promotion (0.588) have higher relationship with customer satisfaction.

Table 12: Regression between marketing mix and customer satisfaction

Model		Standardized Coefficients		t	sig
		Beta	Std. Error		
	product	.160	.075	1.891	.062
	price	.071	.087	.817	.416
	Place	.403	.074	4.669	.000
	promotion	.287	.090	3.351	.001
Dependent Variable: SATISFACTION					

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. These results are similar with those of Bearden and Etzel (2012); Hallowell (1996), Anderson et. al., (1994); Alom and Haque (2011); Arham (2010) who found the relationship between product; pricing; place (distribution); promotion and customer satisfaction.

Table 13: Model Goodness of fit test

Fit statistic	Value	Description	Likelihood ratio
chi2_ms(41)	30.526	model vs. saturated	
p > chi2	0.884		
chi2_bs(55)	980.143	baseline vs. saturated	
p > chi2	0.000		
Population error			
RMSEA	0.000	Root mean squared error of approximation	
90% CI, lower bound	0.000		
Upper bound	0.034		
Pclose	0.983	Probability RMSEA <= 0.05	
Information criteria			

AIC 1936.444 Akaike's information criterion
BIC 2001.573 Bayesian information criterion

Baseline comparison

CFI 1.000	Comparative fit index
TLI 1.015	Tucker-Lewis index

Source: Questionnaire, 2017

The tests on the above table show the data and the model fits appropriately. This has been confirmed by outcomes of Likelihood ratio, Population error, Information criteria, Baseline comparison and Size of residuals.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

Global marketers “usually find that customer needs are much more in common than they might have seemed” (Yip, 2003, p. 214).

There is an increasing emphasis on customer satisfaction as a means of affecting store choice behavior (e.g., Weir, 2001) and although little research exists to substantiate it, it seems intuitive that satisfaction would also affect customer

5.1 SUMMARY

The general objective of the study was to assess modern wholesaling of FMCG industry on retailers in Addis Ababa considering the effects of Marketing strategy, Operational Performance and Customer Service on Retailers and by having specific objectives of assessing which marketing strategy highly impacts customer satisfaction, to examine the impact of the customers satisfaction on organizational /operational performance and by assessing the magnitude of correlation coefficients effects of those related variables.

In order to make the assessment, the student researcher developed three research questions that were indicated under the basic research question part of this study and they were answered through the responses obtained from 150 respondents that were selected through a random probability sampling method.

- Marketing mix such as product (0.490), and place (0.466) have moderate relationship with customer satisfaction.
- Price (0.643) and promotion (0.588) have higher relationship with customer satisfaction.

5.2 CONCLUSION

Majority of the respondents are males. The highest percentage (31%) of the respondents are holders of Certificate .Results of the correlation revealed that product, price, place, and promotion have relationship with satisfaction. Values are 0.490, 0.466, 0.643 and 0.588 respectively. Marketing mix such as product (0.490), and place (0.466) have moderate relationship with customer satisfaction. Price (0.643) and promotion (0.588) have higher relationship with customer satisfaction. Result disclosed that there is relationship between marketing mix and customer satisfaction.

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. These results are similar with those of Bearden and Etzel (2012); Hallowell (1996), Anderson et. al., (1994); Alom and Haque (2011); Arham (2010) who found the relationship between product; pricing; place (distribution); promotion and customer satisfaction.

5.3 RECOMMENDATION

From the above findings and conclusion we can understand that Marketing mix strategy have linear relationship with operational as well as customer satisfaction of the enterprise. As many literature revealed today's firm's competitiveness depends on their marketing mix strategy. On the basis of the above the following recommendations are made: -

. In order to improve the poor price setting and loose competitive advantage of the sector, ETE have to start to see price integration as customer satisfaction improvement approach.

. ETE can work on its promotion approach and increase its competitive advantage and enhance higher customer satisfaction.

. Having wider assortment of products at stores, has a great value for customer satisfaction, so ETE has to work on highly in its product diversification and maintaining good stock for consumers.

. Working on all Marketing mix strategy elements will assure the company for the best customer satisfaction rate.

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St. Mary's University
School of Graduate Studies
Department of Business Administration

This questionnaire is developed by a final year MBA student of St. Mary's University School of Graduate Studies Department of Business Administration as a partial fulfillment of the requirement for the award of MBA degree in Business Administration.

The study aims to undertake and see *The Effect of Marketing Strategy, Operational performance and Customer Service on Retailers, A Study on Alle Bejimila in Addis Ababa.*

. Dear respondent,

I am very thankful for your thoughtfulness in taking your time to examine this questionnaire which applies for the study. The final result of this study is believed to benefit the selected enterprise and the stakeholders involved.

Your experience and opinion are highly valuable and I would be very grateful if you would spare a couple of minutes to take part in this survey by completing the questionnaire below.

1. You may fill in the questionnaire by yourself. Alternatively, you and other experts in trade facilitation may jointly fill in the questionnaire (bearing in mind that the questionnaire covers many different areas of trade facilitation which may require expertise from different experts to provide accurate answer).
2. Please be assured that your answers, together with feedback from other respondents, will be analyzed in an aggregate manner. No individual name will be released in the study report.

Part I General information

1. Sex

- a. Male
- b. Female

2. What is your education level

- a. Illiterate
- b. Certificate
- c. Diploma
- d. Degree
- e. MSc
- f. PhD

Part 2. Circle the correct numeric response to each question

Survey Scale: 1=Strongly Disagree 2=Disagree 3=Neutral 4=Agree 5=Strongly Agree

ii. MARKETING STRATEGY

A	PRICING						
1	The price of the products are below competitive Prices		1	2	3	4	5
2	t There is very low price Fluctuation on products		1	2	3	4	5
3	the store design enables me to move around with ease		1	2	3	4	5
4	the layout that allows me to easily find the products I need		1	2	3	4	5
B	PLACEMENT						
5	The Store is located at a convenient place for		1	2	3	4	5

	shopping						
6	Transportation for travelling the goods is easily available		1	2	3	4	5
7	The store is big enough to carry well stock of diverse products		1	2	3	4	5
c	promotion		1	2	3	4	5
8	The store attractive promotional products		1	2	3	4	5
9	The store do good promotions through different medias		1	2	3	4	5
	there a reasonably applicable Good returns policies		1	2	3	4	5
D	PRODUCT DIFFERENTIATION		1	2	3	4	5
10	A good selection of products present.		1	2	3	4	5
11	Fast moving products have low stock outs		1	2	3	4	5
12	Advertised merchandise in stock.		1	2	3	4	5
13	store provides you the service & products at the right promised time		1	2	3	4	5

III. CUSTOMER SATISFACTION

14	I only shop at this store and find all the products that I need for sell		1	2	3	4	5
15	The quality of my shopping experience allows me to form an opinion of the store		1	2	3	4	5
16	I shop quite often at the store		1	2	3	4	5
17	The customer handling of the employees is		1	2	3	4	5

	impressive						
18	I am satisfied with the store and always meets my needs		1	2	3	4	5

. If you anything you want to add, please empty space down below:

THANK YOU