



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

**THE EFFECT OF SERVICE QUALITY ON CUSTOMER  
RELATIONSHIP: THE CASE OF ZELEMEN COMMUNICATION,  
ADVERTISING AND PRODUCTION PLC**

**BY:**

**BEZAWIT KASSAHUN**

**JUNE 2019  
ADDIS ABABA, ETHIOPIA**

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**ST. MARY'S UNIVERSITY**  
**SCHOOL OF GRADUATE STUDIES FACILITY OF BUSINESS AND**  
**ECONOMICS DEPARTMENT OF MARKETING MANAGEMENT**

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## DECLARATION

I, the under signed, declare that this thesis is my original work, prepared under the guidance of **TEMESGEN BELAYNEH (PhD)**. All sources of material used while working on this 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 type of degree.

Bezawit Kassahun

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## **ENDORSEMENT**

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

Temesgen Belayneh, PhD

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St. Mary's University

June, 2019

Addis Ababa, Ethiopia

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## ABSTRACT

*Service quality has become as one of the key driving forces for business sustainability and is vital for firms' accomplishment. Customer service quality is a crucial source of distinctive competence and often considered a key success factor in sustaining competitive advantage in service industries. SERVQUL is a service quality measurement instrument this includes tangibility, reliability, responsiveness, empathy and assurance. The general objective of the study was to measure the effects of advertising agencies service quality on the level of customer relationship. In order to get a comprehensive data 74 customers are included in the study. The study used both primary and secondary data that were collected through a semi-structured questionnaire, & quantitative analysis. Out of the 82 questionnaires that were distributed 74 questionnaires were filled and returned successfully. This represents a response rate of 90 percent. Data was analyzed using descriptive and inferential statistics. The study found that Zeleman Communication, Advertising and Production has latest service equipment, company staff appearance and service facilities are appealing and appropriate, employees of Zeleman Communication, Advertising and Production are equipped with the professional ability, employees are polite and friendly and can make their customers feel respected but they does not provides services at schedule time as promised, company are not reliable. Based on these findings, the study recommends that Zeleman should delivering its services at promised times, and handling customer's complaints effectively, should treating customer with great respect, giving individual attention to customers, serving customers based on their specific needs and improving its branch accessibility and working hours in a way it meets the customer's need, the company should acquire modern and modern-looking equipment's and visually appealing physical facilities and the company should also prepare their materials in clear, understandable and visually appealing manner.*

*Key words: service quality, SERVQUL, customer relationship*

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the Study

In this competitive and challenging age, organizations must try to concentrate on consumers' wants and needs to encounter their expectations and fulfil them because customer satisfaction was a strategic issue in the past two decades (Zaibaf, et al., 2013).

For any kind of business organization which operates in competitive environment it is very important to pay due attention to the quality of service it provides (Lowndes and Dawes, 2001). According to Sachdev and Verma (2004), customers are demanding high quality service which pushes companies to compete each other and technological up gradation. In order to decrease the gap (negative gap) between customers' expectation and perception, an organization has to enhance its service quality.

Quality simply as suitability for use, product features meet the needs of consumers and free of deficiencies. Quality is the overall traits and characteristics of a product or service to the ability to meet the needs that have been determined or latent. Implies quality meets or exceeds expectations about the pace of time, work accuracy, speed of response, and performance (Parasuraman, et al., 1985). Quality of service is a comparison between services felt (perceived) customers with the quality service they expect.

The advertising company - customer relationship is a strategic partnership that may have a significant impact for both the advertiser and the company successful maintenance of this relationship. A successful company- customer relationship may mean brand-building advertising and an increase in market share for the advertiser.

In the era of globalization where free-market economic system operates and extremely competitive market environment prevails in most countries of the world, advertising one's products and/or services has come to be the most significant task of organizations in both the private and public sectors. In this regard, Belch and Belch (2003) defined advertising as "any paid form of non-personal communication about an organization, product, service, or idea by an identified sponsor". On top of this, Brett (2008) also stated that advertising is a form of commercial mass communication intended to persuade an audience (viewers, readers, or listeners) to purchase or consume or take some action upon products, services, or ideas on behalf of an institution or organization. It usually includes the name of a product or service and how that product or service could benefit the consumer, to persuade a target market to purchase or to consume that particular product or service.

During the last decade there have been substantial changes and developments in the global advertising industry. A number of factors have contributed to this rapid change. Increased advertising company consolidations and concentration, the growth of satellite television, the increased sovereignty of global consumers, as well as the increased impact of communication technology, all had profound effects on the global advertising industry.

In Ethiopia, the importance of advertising is also growing after the new free market economic system has been implemented in the country. The new economic policy in Ethiopia was introduced by the Ethiopian government in November 1991 which ended the implementation of the command economic system thereby heralding the establishment of a market-oriented economic system.

Smart business firms are now changing their business practices by refocusing their efforts on external and internal environment i.e. customers and employees. In past, creating and maintaining a good relationship with the customer was comparatively easy than today because of small businesses and identifiable customers. Today, the extended size of the businesses and the wide range of customers have compelled organizations to explicitly manage good customer relationships if they want to be successful. By considering the above evidences, this study was conducted by taking appropriate customer relationship marketing components and come up with concrete results. In such situation, advertising company can

use the CRM strategy to create, maintain, and enhance strong relationships with their customers to secure their market performance. Therefore, the aim of this research is to identify the effect of service quality on customer relationship a case of zeleman advertising company.

## **1.2 Background of the Organization**

The forces that affect the choice of Advertising Company are significant for maintaining and stabilizing the traditional relationship between the company and the customer. Research in Advertising company-customer relations focuses on service quality, being defined as technical quality (core service) and functional quality (Belch & Belch, 2003).

Zeleman Communication, Advertising and Production PLC is an Ethiopian, integrated full service, communications, advertising and production company. They are the one who provide full service company with all capabilities built-in house to provide the most efficient and cost effective solutions for the customers. The company was founded in 2005 by CEO and Chief Creative Director Zelalem Woldemariam, Zeleman currently employs over 100 experienced communications professionals. The company has long-term relationships with Ethiopia's biggest brands and international organizations from Diageo, Ethiopian Airlines, Coca-Cola, Tiger Brands, UNICEF, Save the Children and many more. As one of the largest media buyers in Ethiopia Zeleman also have strong relations with all media owners in the country.

## **1.3 Statement of the Problem**

Advertising is one of the crucial factors for the survival and success of a business. Among other benefits, effective advertising enables a company to attain wide ranges of objectives such as improving its public image, capturing the attention of its consumers, and triggering its sales and profits. Hence, these days, it is within these frameworks that many companies spend a huge sum of budget in their advertising programs (Belch & Belch, 2003).

The relationship between an advertising company and its customer represents a strategic partnership that can have a significant impact on both sides. Maintaining this relationship can have major business implications and can lead to increased business success (Gulsoy, 2012). For the company, a successful long-term relationship means a stable income, prestige and a higher profit margin, since there is evidence that committed customer are occasionally prepared to retain the same company even with a price increases (Duhan & Sandvik, 2009). On the other hand, the breakdown of the relationship can lead to discontinuation of the campaign and a worsening position among competitors (Gulsoy, 2012).

There are a number of complaints on the service delivery system of Zeleman Communication, Advertising and Production. A Number of reasons are behind these customer discontents. Whatever the reasons may be, once the customer is dissatisfied, it would be very difficult to gain their trust back. Skogland and Siguaw (2007), define satisfied customers for longer stays as an organization customers and with the expression his positive words about organization with other and potential customers will increase their interest to use organization product or service and attract new customers to organization and on the one hand customer loyalty will improve the amount of profitability and increased share in competitive market.

Understanding the forces that affect the choice of agencies is significant for maintaining and stabilizing the traditional relationship between the company and the customer. Research in company-customer relations focuses on service quality, being defined as technical quality (core service) and functional quality (Gronoors, 2000).

In order to identify the above gap, many researches undertaken to investigate the gap using SERVQUAL model which was developed by Parasuraman et.al. (1985, 1988). This model has five dimensions to measure the perceived service quality. However, the model has different implication in different country or region due to a difference in economic, socio-cultural and political factors. For instance a study undertaken in Ghana insurance company find out that the two dimensions namely, Reliability & Responsiveness has an impact on service quality. (Frank and Theresa, 2011) In Kenya studies of three researchers who

examine that the five dimensions have a significant on service quality of banking industry. (Daniel, Joseph and Victor, 2013). In addition to these two studies, a study undertaken in India found that there are four major factors which influence customer perception of service quality, namely responsiveness, assurance, tangible and empathy in insurance service provider. (Singh, Sirohi and Chaudhary, 2014).

In light of the evidence give above, the aim of this study is to recommend and test a research model that explores the effects of service quality with the indicators of tangibles, reliability, responsiveness, assurance, and empathy on customer relationship a case of Zeleman advertising company.

## **1.4 Research questions**

In this study, the researcher attempted to get answers for basic research questions by measuring the effect of service quality on customer relationship in Zeleman Communication, Advertising and Production. In this regard, the major research questions of the study include the following.

1. How tangibility affects customer relationship in Zeleman communication?
2. To what extent reliability affect customer relationship in Zeleman communication?
3. Dose responsiveness affects customer relationship in Zeleman communication?
4. Dose assurance affects customer relationship in Zeleman communication?
5. How empathy affects customer relationship in Zeleman communication?

## **1.5 Research Objectives**

### **1.5.1 General objectives**

The general objective of this study is to measure the effects of service quality on customer relationship.



### **1.5.1 Specific Objectives**

The research has the following specific objectives:

1. To examine the relationship between tangibility and customer relationship in Zeleman communication.
2. To determine the relationship between reliability and customer relationship in Zeleman communication.
3. To identify the relationship between responsiveness and customer relationship in Zeleman communication.
4. To identify the relationship between assurance and customer relationship in Zeleman communication.
5. To measure the relationship between empathy and customer relationship in Zeleman communication.

### **1.6 Scope of the Study**

The research is restricted only in one advertising company, Zeleman Communication, Advertising and Production which is found in Addis Ababa. Apart from the researcher's time and finance limitations it might also be expected resistance from firms to disclose their marketing strategy documentations because of its confidentiality. To compensate, a recommendation for future study will be provided so as to promote the continuous investigation on the issue. In this way, a continuum of learning through investigation on this issue could be promoted.

### **1.7 Significance of the study**

This investigation will serve as a guideline and benchmark for Zelman for enhancement relationship with its customer. It may also assist companies who are working with advertising companies the use similar organizational structure and model.

The academic contribution of this study is that it provides new knowledge and solutions for the problems or challenges affecting the advertising sector. This study will have a contribution in understanding the services quality affecting the relationship between advertising companies and customers.

## **1.8 Organization of the Study**

This study is organized under five chapters. Chapter one contains introduction and background of the study in addition to the statement of the problem, objectives of the study, significance, and scope of the study. Chapter two contains literature review. The methodology encompassing; study design, sampling and method of analysis is discussed in the third chapter. Chapter four contains result analysis and discussion. At last, chapter five presents conclusion and recommendation.

## **CHAPTER TWO**

### **REVIEW OF RELATED LITERATURES**

#### **2. Introduction**

This chapter reviews the literatures that are related to the subject of this study in order to gain an understanding of the effect of service quality on customer relationship. The review was relay greatly on data obtained from published reference materials such as books, articles and journals.

#### **2.1 Service**

A service is any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product (Keller and Kotler, 2006). Similarly Zeithaml and Bitner, (2004), also defined service as deeds, processes and performances. Both definitions and also other scholars' definitions agree on the intangibility, inseparability, perishable, and variability nature of a service. Moreover, many literatures explain the existence and importance of service in all kinds of organizations. In general Service organizations range in size from huge international corporations like airlines, banking, insurance, communications, hotel chains, and freight transportation to a vast array of locally owned and operated small businesses, including restaurants, laundries, taxis, optometrists, and numerous business-to-business (Lovelock and Wright, 1999).

Currently the service industry is taking the highest portion of the world economy. In terms of industry structure, there is a greater willingness to identify service as commercially important to the extent that even some manufacturers of products have redefined their business as a service.

## 2.2 Distinctive Characteristics of Services

Srinivasan (2012) states the following as distinctive characteristics of services

**1. Intangibility:** refers to that large component of the service, which cannot be presented in a concrete manner prior to purchase. In its implication it is difficult to judge quality and value in advance and it is not also possible to patent or have copy right.

**2. Inseparability:** in many service operations, production and consumption cannot be separated. It requires the presence of producer, direct sale, limited scale of operation and geographically limited market.

**3. Heterogeneity:** refer to the difficulties in applying quality standards for identical services. It is closely linked to inseparability. It is difficult to standardize quality.

**4. Perishability:** refers to the fact that if service is not availed on time, then it is not there. There is the problem of demand fluctuation and the item cannot be stored.

## 2.3 Advertising Company as Service Giving Institutions

Advertising is any paid form of non-personal communication about an organization or its product to a target audience through a mass/broadcast medium by an identified sponsor. It should be observed that for any promotional activity to be called advertisement it must be paid for.

In the real sense, it is the method used by companies for creating awareness of their products, as well as making new products known to the new and potential consumers.

More so, advertising as a promotional tool also tends to remind, reassure and influence the decisions of the consumers because an advertisement itself enlightens, educates, and persuades consumers on their acceptability of the product offering.

Advertisement in such a media as print (newspaper, magazines, billboards, flyers) or broadcast (radio, television) typically consist of pictures, headlines, information about the product and occasionally a response coupon. Broadcast advertisement on the other hand consists of an audio or video narrative that can range from 15seconds spots to longer segments known as infomercials, which generally last 30 to 60 minutes (Busari 2002).

Advertisements can also be seen on the seats of grocery carts, on the wall of airport walkways, on the sides of buses, airplane and train. Advertisements are usually placed anywhere an audience can easily and/or frequently access visual and/or video (Busari 2002).

### **2.3.1 Importance of advertising**

The public/consumers benefits greatly from advertising expenditures. First, advertisements are informative. The newspaper ads are full of information about products, prices, features and more. Businesses spend more on direct mail than radio or magazine advertising. Direct mail (e.g. catalogs and letters sent by mail to people's homes and offices) is an informative shopping aid for consumers. Most times consumers receive mini catalogs in their newspaper, that tells them what's on sales, where at what price, for how long and more.

Newspapers, magazines and radio are especially attractive to local advertisers. However, television offers many advantages to a national advertiser but it's expensive. But few media besides television allow advertisers to reach so many people with such impact. Marketers must choose which media and which programs can be used to reach the audience and what they desire. Different kinds of advertising are used by various organizations to reach different market targets (Philip, 2005).

Young (2005) stated that in an effort to improve managing and gain audience attention, advertisers create branding moment that will resonate with target markets, and motivate audiences to purchase the advertised product or service, advertisers copy test their advertisement before releasing them to the public.

### 2.3.2 Purpose of Advertising

Advertising plays a vital role in marketing consumers' purchasing decision and promotion to particular. Most consumers have the erroneous impression that promotion is synonymous with advertising and vice-versa (Singh & Arora, 2011).

The partnership between producers and consumers through advertisement is solely aimed at achieving certain mutually beneficial objectives. There are;

**To introduce new product:** One of the roles of advertising is to inform consumers about the existence of a new product in the market i.e. creation of awareness.

**Persuade customers to buy:** Advertising helps in arousing the customer's interest and by so doing persuades them to buy the product.

**Creation of demand:** Advertising stimulates demand by constantly reminding potential consumers about the availability of the product in the market.

**To change consumer belief:** Advertisement is a very good instrument that can be used to change consumer mindset about a product or service. Hence, help to tap into their buying power and influence their thoughts.

**To create brand loyalty:** The demand of the consumers can be maintained by constantly arousing their interest on a particular product and this will ultimately create brand loyalty.

**Develop large market:** Advertising create large market segment which leads to the development of larger market.

To promote the image of the firm: Advertising builds a corporate image for a company.

- It helps to familiarize consumers with the new style of product in the market.
- Alert and sensitizes member of marketing channel.
- Helps to reduce consumer dissonance.

Any service to be provided to the customers can be differentiated by the service provider from the rest of the service providers if it possesses some unique selling proposition. The customers compare the perceived service with the expected service. The customer perceives the service quality to be high if it is perfect on his expectation. This perception leads to customer satisfaction with the related service. Therefore, it becomes necessary for service providers to meet or exceed the target customer relationship with quality of services expected by them (Singh & Arora, 2011).

## **2.4 Service Quality**

Service quality has been variously defined as focusing on meeting needs and requirements, and how well the service delivered matches customers' expectations. Perceived service quality is a global consumer judgment or attitude, relating to service and results from comparisons by consumers of expectations of service with their perceptions of actual service performance.

As per Lovelock and Wright (1999) defined service quality as customers 'long-term, cognitive evaluations of a firm's service delivery is 'conformance to customer specifications' that is, it is the customer's definition of quality that matters, not that of management. In the marketplace, quality must ultimately be evaluated from the customer's perspective. Customers can articulate how well a product and/or service meets their expectations, a perceptual judgment they cannot make about how well the product and/or service conforms to specifications. Thus, Service quality can be defined as the collective effect of service performances which determine the degree of satisfaction of a user of the service. In other words, quality is the customer's perception of a delivered service. By service-quality management, we refer to the monitoring and maintenance of end-to-end services for specific customers or classes of customers.

Practitioners and writers in the popular press tend to use the term satisfaction and quality interchangeably, but researchers have attempted to be more precise about meanings and

measurement of the two concepts, resulting in considerable debate (Zeithaml and Bitner, 2004).

Although they have something in common, satisfaction is generally viewed as a broader concept; whereas service quality focuses specifically on dimensions of service. Based on this view, perceived service quality is a component of customer satisfaction. Service quality, which is the main issue in this paper, is a focused evaluation that reflects the customer's perception of elements of service such as interaction quality, physical environment quality, and outcome quality (Zeithaml and Bitner, 2004).

These elements are in turn evaluated based on the specific service quality dimensions: reliability, Assurance, Responsiveness, Empathy and Tangibles. Satisfaction, on the other hand, is more inclusive: it influenced by perception of service quality, product quality, and price as well as situational factors and personal factors (Zeithaml and Bitner, 2004).

## **2.5 Dimensions of Service Quality**

As cited in Mudie and Pirrie, (2003), the five dimensions of service quality are: tangibility, reliability, Responsiveness, Assurance and Empathy.

### **2.5.1 Reliability**

Reliability is defined as “the ability to perform the promised service dependably and accurately” or “delivering on its promises” (Zeithaml et al., 2006). This dimension is critical as all customers want to deal with firms that keep their promises and this is generally implicitly communicated to the firm's customers. Some companies such as FedEx may make it an explicit service positioning. For the food & beverage industry, reliability can be interpreted to mean fresh food delivered at the correct temperature and accurately the first time (Andaleeb & Conway, 2006). This dimension is particularly crucial for services such as railways, buses, banks, building societies, insurance companies, delivery services and trade services, e.g. plumbers, carpet fitters, car repair.



### **2.5.2 Responsiveness**

Responsiveness “*is the willingness to help customers and provide prompt service*” (Zeithaml et al., 2006). This dimension is concerned with dealing with the customer’s requests, questions and complaints promptly and attentively. A firm is known to be responsive when it communicates to its customers how long it would take to get answers or have their problems dealt with. To be successful, companies need to look at responsiveness from the view point of the customer rather than the company’s perspective (Zeithaml et al., 2006).

### **2.5.3 Assurance**

Assurance is defined as “the employees’ knowledge and courtesy and the service provider’s ability to inspire trust and confidence” (Zeithaml et al., 2006, p. 119). According to Andaleeb and Conway (2006), assurance may not be so important relative to other industries where the risk is higher and the outcome of using the service is uncertain. Thus, for the medical and healthcare industry, assurance is an important dimension that customers look at in assessing a hospital or a surgeon for an operation. The trust and confidence may be represented in the personnel who links the customer to the organization (Zeithaml et al., 2006).

### **2.5.4 Empathy**

Empathy is defined as the “caring, individualized attention the firm provides its customer (Zeithaml et al., 2006). The customer is treated as if he is unique and special. There are several ways that empathy can be provided: knowing the customer’s name, his preferences and his needs. Many small companies use this ability to provide customized services as a competitive advantage over the larger firms (Zeithaml et al., 2006). This dimension is also more suitable in industries where building relationships with customers ensures the firm’s survival as opposed to “transaction marketing” (Andaleeb & Conway, 2006). Thus, in the context of quick service restaurant, empathy may not be so applicable where customers look for quick service and the queues at the counters are long. However, in a fine dining

restaurant, empathy may be important to ensure customer loyalty as the server knows how the customer likes his or her food prepared. On the other hand, some customers may just want to be left alone to enjoy their food and may not want someone giving them too much attention. Empathy in the context of fine dining can be demonstrated through showing concern in times of service failure and providing service recovery or going out of the way to meet a customer's special requirements, for instance, providing vegetarian food.

### **2.5.5 Tangible**

Tangible which is defined as the physical appearance of facilities, equipment, staff, and written materials. It translates to the restaurant's interiors, the appearance and condition of the cutlery, tableware, and uniform of the staff, the appearance and design of the menu, restaurant signage and advertisements (Zeithamal et al., 2006). Tangibles are used by firms to convey image and signal quality. All of these are used in varying degrees to project an image that will find favor with consumers. Tangibles will be of particular significance, where the customer's physical presence at a service facility is necessary for consumption to occur, e.g. hair salon, hotel and night club. As discussed above, these dimensions of service are very different from manufacturing and reflect the close interaction that the employees have with the customer in service delivery. Some researchers have used SERVQUAL entirely to investigate company service while others have chosen to use a smaller number of attributes to represent each of the five dimensions.

## **2.6 Service Quality Measurements**

Measuring service quality is difficult because of the intangibility characteristics of service (Baral and Bihari, 2009). Brady and Cronin (2001) stated that the conceptualization and measurement of service quality perceptions have been the most debated and controversial topics in the services marketing literature to date. It is becoming important in the light of increasing consumer awareness, changing consumer tastes, growing consumer expectations (Sachdev and Verma, 2004). SERVQUAL and SERVPERF are the most known service quality measurement.

### **2.6.1 SERVQUAL**

According to the SERVQUAL model (Parasuraman et al., 1988), service quality can be measured by identifying the gaps between customers' expectations of the service to be rendered and their perceptions of the actual performance of the service. SERVQUAL is based on five dimensions of service quality (Parasuraman et al., 1988).

The five basic dimensions of service quality in a wide range of service contexts have been identified in the pioneering research of Parasuraman et al (1987), through the SERVQUAL model. The five dimensions defined in their research are considered the drivers of service quality, representing how consumers organize information about service quality in their minds. (Dash & Saxena, 2007).

Reliability is defined as the ability to perform the promised service regularly and accurately. In the broadest sense, reliability means that the company delivers on its promises – promises about delivery, service provision, problem resolution, and pricing. Customers want to do business with companies that keep their promises about the service outcomes and core service attributes. Of the five dimensions suggested, reliability has been consistently shown to be the most important determinant of perceptions of service quality among U.S. customers. (Cronin & Taylor, 1992).

Responsiveness is the willingness to help customers and to provide prompt service. This dimension emphasizes attentiveness and timeliness in dealing with customer requests, questions, complaints and problems. Responsiveness is expressed by the length of time they have to wait for assistance, answers to questions, or attention to problems. Responsiveness also captures the notion of flexibility and ability to tailor the service to customer needs. To excel on the dimension of responsiveness, a company must view the process of service delivery and the handling of requests from the customer's point of view rather than from the company's point of view. (Cronin & Taylor, 1992).

Assurance is defined as employees' knowledge and courtesy and the ability of the firm and its employees to inspire trust and confidence. This dimension is likely to be particularly important for services that customers perceive as high risk or for services of which they feel uncertain about their ability to evaluate outcomes – for example, banking, insurance, brokerage, medical and legal services. (Cronin & Taylor, 1992)

Empathy is defined as the caring, individualized attention that the firm provides its customers. The principle of empathy is conveying, through personalized or customized service, that customers are unique and special and that their needs are understood. Customers want to feel understood by and important to firms that provide service to them. Personnel at small service firms often know customers by name and build relationships that reflect their personal knowledge of customer requirements and preferences. When such a small firm competes with larger firms, the ability to be empathetic may give the small firm a clear advantage (Bitner and Hubbert, 1994).

Tangibles are defined as the appearance of physical facilities, equipment, personnel, and communication materials. Tangibles offer physical representations or images of the service that customers, particularly new customers, will use to evaluate quality. Service industries that emphasize tangibles in their strategies include hospitality services in which the customer visits the establishment to receive the service, such as restaurants and hotels, retail stores, and entertainment companies (Bitner and Hubbert, 1994).

Each dimension is measured by four to five items. Each of these combined items is measured in two ways: the expectations of customers concerning a service and the perceived levels of service actually provided. In making these measurements, respondents asked to indicate their degree of agreement with certain statements on a Likert-type scale. For each item, a gap score (G) is then calculated as the difference between the perception score (P) and the expectation score (E). The greater the gap scores the higher the score for perceived service quality.

## 2.6.2 SERVPERF

The SERVPERF model was carved out of SERVQUAL by Cronin and Taylor in 1992. SERVPERF measures service quality by using the perceptions of customers. Cronin and Taylor argued that only perception was sufficient for measuring service quality and therefore expectations should not be included as suggested by SERVQUAL (Baumann et al., 2007).

## 2.7 Customer Relationship Management (CRM)

In literature, many definitions were given to describe customer relationship management (CRM). The main difference among these definitions is technological and relationship aspects of CRM. Some authors from marketing background emphasize the marketing side while others consider IT perspective of CRM. From marketing aspect, CRM is defined according to Could well (1998) as “A combination of business process and technology that seeks to understand a company’s customers from the perspective of who they are, what they do, and what they are like”. Technological definition of CRM was given as “The market place of the future is undergoing a technology-driven metamorphosis” Peppers and Rogers (1995).

**According** to Siriprasoetsin et al. (2011) defined that CRM as a concept based on the philosophy of combining customers and marketing for relationship building. It is a communication process between customers and an organization’s services in order to attract and maintain those customers who will be the organization’s true customers. Further, it aims to improve the relationship between companies and their customers by managing all customer-related activities, such as marketing, sales, service and support in order to identify and retain the most profitable customers and improve the profitability of less profitable customers (Ryals et al., 2000; Wang, 2012). Thus, if a company successfully maintains enthusiasm, participation and interaction with its customers, as well as continuously integrates sales, marketing, and customer care, then it is possible to enhance customer loyalty and expand customer lifetime value (Chalmeta, 2006; Ozgener and Iraz,

2006). This means that customers do not only deliver profits from the transactions they have made, but more importantly is the overall profit that they bring during the whole period when the firm is having a relationship with them (Ekinci et al., 2014).

As the business world has shifted from product focus to customer focus, managers have found that the enhancement of existing customer relations brings the benefit of profitable and sustainable revenue growth (Mendoza L.E., 2006). CRM has developed as an approach based on maintaining positive relationships with customers, increasing customer loyalty and expanding customer lifetime value (Lindgreen, A. and F. Wynstra, 2005).

Payne and Frow (2005) stated that “CRM is a strategic approach that is concerned with creating improved shareholder value through the development of appropriate relationships with key customers and customer segments”. Moreover, Swift, R.S., (2000) defined as: “It is a management approach to understanding and influencing customer behavior by managing relationships through meaningful communication to improve customer turnover”.

The establishment, development, maintenance and optimization of long-term mutually valuable relationships between consumers and organizations. Successful CRM focuses on understanding the needs at the heart of the business by integrating them with the organization’s strategy, people, technology and business process (CRM (UK) Ltd, 2000).

Furthermore Buttle, F., (2009) defines: “It is the core business strategy that integrates internal processes and functions, and external networks, to create and deliver value to targeted customers at a profit. It is grounded on high quality customer related data and enabled by information technology”. The definition given by Buttle, F., (2009) only considers CRM can be achieved its target from the angle of technology base. Semih, O., and Ibrahim, E, (2000) stated that the main difference of CRM definitions was technological and relationship aspects.

### **2.7.1 Benefits of CRM**

According to Chen, Q. and H. Chen, 2004, customer relationships are becoming even more important for organization as market conditions get harder. Competition is increasing, margins are eroding, customers are becoming more demanding and the life-cycles of products and services are shortening dramatically. All these forces make it necessary for organization to intensify the relationship with their customers and offer them the services they need via the channels they prefer. CRM helps advertising company to provide lot of benefits to their customers; some key benefits are as follows:

- Helping an enterprise to identify and target their best customers, manage marketing campaigns and generate quality leads for the sales team.
- Assisting the organization to improve telesales, account and sales management by optimizing information shared by multiple employees and streamlining existing processes
- Allowing the formation of individualized relationships with customers, with the aim of improving customer satisfaction and maximizing profits; identifying the most profitable customers and providing them the highest level of service.
- Providing employees with the information and processes necessary to know their customers understand and identify customer needs and effectively build relationships between the company, its customer base and distribution partners.
- CRM permits businesses to leverage information from their databases to achieve customer retention and to cross-sell new products and services to existing customers.

### **2.7.2 Goals and Objectives of CRM**

Every one working in the organization must have a very clear goal in mind; the whole organization must be working as a single unit. It is not affordable that the higher management is looking CRM as marketing and sales and middle management looking towards personal interactions and so on. At every level CRM definition must be very clear,

here definition does not mean by few written words, but its role. Why we are sitting in the market? Who are our customers? Why to make contact with them? How to make contact? How to make it long? How to make customer satisfied? How these satisfied customers make to come again and again? These and other questions must be very clear in every one working in the organization (Chantal Rootman (2006).

### **Customer retention**

Customer retention has a significant relation on firm profitability. According to Appiah and Kingsley, quoted in Gupta et al. (2004) find that “1% improvement in retention can increase firm value by 5%”. Marketers interested in maximizing lifetime value realize that customer retention is a key to increasing long run firm profitability. An understanding of drivers for customer’s defection can help companies in designing CRM strategies and interventions aimed toward increasing customer retention and prolonging the lifetime of customers to increase market performance better than before. Customer retention is the maintenance of continuous trading relationships with customers over the long term. Buttle, F., (2009) noted Positive retention strategies are strategies that lock the customer in by rewarding a customer for remaining in a relationship. These positive retention strategies include the following:

Customer delight or exceeding customer expectation: This is going beyond what would normally satisfy the customer. It means being aware of what it usually takes to satisfy the customer and what it might take to delight or pleasantly surprise the customer.

Adding customer perceived value: Companies can explore ways to create additional value without creating additional costs. If cost are incurred then the value-adds maybe expected to recover those costs. Value can be added through programs such as, loyalty schemes, customer clubs and sales promotions.

### **Customer identification**

The analytical comparison of customers’ basic information used to segment and classify, as well as to clarify their characteristics and needs.



### **Customer attraction**

After verifying the target (2006), Ngai et al. (2009) customers, the enterprise is able to attract more customers through direct sales and marketing.

### **Customer development**

Transferring service to the customers in order to increase corporate profit and to allow satisfied customers to recommend products and services to other potential customers, as well as the development of customer value

## **2.8 Review of Empirical Studies**

The study has reviewed various empirical studies that are related with the effect of advertising company services quality on customer relationship by incorporating various empirical studies conducted in developed countries, emerging market countries and African countries.

Spake et al. (1999) tested Ellis & Johnson's (1993) second proposition on a sample of 349 advertising customers in the US and found partial support for the two propositions on outcome measurability but only under certain conditions. The propositions were supported by the findings that outcome-based compensation models were more often associated with business – to - consumer customers as opposed to business to-business relationships where determining outcomes were more difficult. However, the authors' finding that the type of outcome-based compensation model that more frequently occurred with the examined customers was a combination of fees and commissions, as opposed to a fully outcome - based compensation model, suggested that imprecision in advertising measurement was an issue that hampered the adoption of purely outcome-based compensation model.

Belch et al. (2009) claim that the key reason customers use advertising agencies relates to the specialist knowledge and the objective market analysis they are able to provide, and their

ability to draw on experiences gained whilst working for other customers. There is a heightened need for agencies to consider the whole customer experience, focusing on understanding and responding to the customers' needs whilst displaying creativity. The relationship between advertising agencies and their customers is based on emotions and feelings as well as economic outcomes. There are agencies which are -prepared to cut costs and provide discounts to get the job done, but the exchanges focus on short-term results rather than long - term investments. The quality of the relational exchange between service providers such as advertising agencies and their customers is an important dimension which is likely to influence loyalty.

The studies of Lee et al. (2000); Gilbert and Veloutsou (2006) and Sulieman (2011) suggest service quality leads to customer satisfaction. To achieve a high level of customer satisfaction, they suggest that a high level of service quality should be delivered.

Research conducted by Abu Zaid (2009), Study entitled "effect of service quality to customer relationship in Zeleman Communication, Advertising and Production". The aim of this study was to assess the extent of customer based brand equity with the reality of quality service in Zeleman Communication, the study found that the level of customer satisfaction, customer loyalty and perceived quality was improved .The study recommended that, the Zeleman communication continuation of holding training sessions for staff and the need to poll customers about services provided and to access to Arabic and international advertising experience.

## **2.9 Effect of Service Quality on Customer Relationship Management**

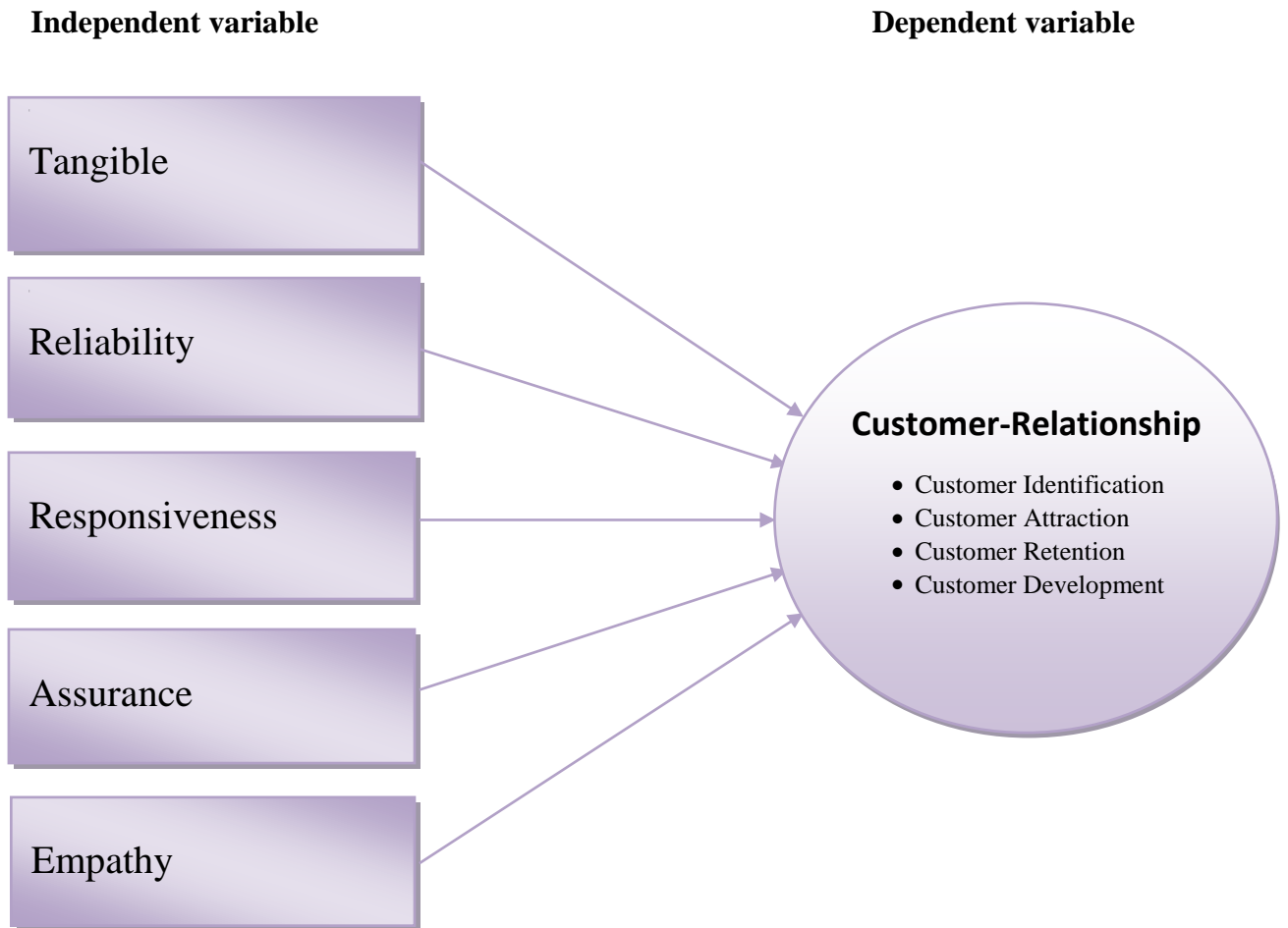
Customer Relationship Management (CRM) has been developed in Business-to-Business (B2B) to improve effectiveness and quality of service in handling organisational responses to customer inputs, the tracking of their orders, complaints handling, building direct communications with existing and potential customers, and maintaining satisfaction and loyalty. CRM, as a customer-focused and technology-oriented strategy, is of growing importance for electronically-driven B2B and Business-to-Consumer (B2C) sectors.

### **2.10. Conceptual Framework**

Relationships are critical in all aspects of life, especially in business. Sustainable competitive advantage cannot be achieved without trusted networks and strategic alliances (Ganesan, 1994; Morgan and Hunt, 1994). Relationship marketing involves a dynamic process with continuity as a primary goal (Sheth and Parvatiyar, 1995). According to Gronroos (1994) the objective of relationship marketing is to establish, maintain and enhance relationships with customers whilst making a profit. Such relationships provide benefits to both parties (Berry, 1995; Venetis and Ghauri, 2004).

With aim of exploring co-innovation in advertising company-customer relationships, a conceptual framework has been developed based on the integration of the examined research streams. More in detail, the proposed framework (figure 1) identifies the key dimensions to be investigated for understanding customers' role and involvement in advertising company's processes.

**Figure 2.1: Research Framework**



Source: Developed by my own

## **2.11 Research Hypothesis**

Based on the objective and literature review, the hypothesis is developed for this research, that is:

H1 HO: Tangibles does not have positive relationship with customer relationship

HA: Tangibles has positive relationship with customer relationship

- H2 HO: Reliability does not have positive relationship with customer relationship  
HA: There is a positive relationship between reliability and customer relationship
- H3 HO: Responsiveness does not have positive relationship with customers' relationship  
HA: Responsiveness has positive relationship with customers' relationship
- H4 HO: Assurance does not have positive relationship with customer's relationship  
HA: Assurance has positive relationship with customer's relationship
- H5 HO: Empathy does not have positive relationship with customer's relationship  
HA: Empathy has positive relationship with customer's relationship

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

This chapter deals with research methodology used to carry out the research. The chapter is organized in nine sub sections. In its first part there is a research design, then after it presented subsequently about research approach, population, sample and sampling technique, data type, sources and instruments, data analysis, validity and reliability and ethical consideration will be present.

### **3.1 Research Design**

The main aim of explanatory research is to identify any causal links between the factors or variables that pertain to the research problem. This design selects because the purpose of this study is to analysis the effect of service quality on customer relationship in the case of Zeleman communication and advertising. Explanatory is the appropriate research design for this study.

### **3.2 Research Approach**

When conducting a research, there are different ways of approaching the problem. According to Creswell (2009), there are three approaches of research; quantitative, qualitative and mixed. Quantitative research is a means for testing objective theories by examining the relationship among variables. On the other hand, qualitative research approach is a means for exploring and understanding the meaning individuals or groups ascribe to a social or human problem with intent of developing a theory or pattern inductively. Finally, mixed method is an approach in which the researchers emphasize the research problem and use all approaches available to understand the problem (Creswell, 2009).

Hence, based on the above discussions of the three research approaches and by considering the research problem and objective, this study has used quantitative research approach for testing objective theories by examining the relationship among variables.

### **3.3 Population and Sampling Techniques**

The population for this study comprised of all customers of the advertising company, Zeleman Communication, Advertising and Production PLC. They are considered as target population for the study. As to the sample size determination, roscoe 1975 proposed sample size larger than 30 and less than 500 are appropriate for most researches but in this case a census data was collected on the customer and there are only 82 customer are currently

working with Zeleman Communication, Advertising and Production PLC. Thus in order to get a comprehensive data all existing customer are included in the study.

### **3.4 Data Source and Types**

Data was collected from both primary and secondary sources. Primary data is a type of data, which is collected and accumulated specifically for the research project at hand. It was collected from sources such as questionnaire. Secondary data involves the collection of information from studies that other researchers have conducted on a given issues or phenomenon (Creswell, 2009). Therefore, to achieve the objectives of this study, primary sources of data were gathered from customers.

### **3.5 Data Collection Procedures**

The researcher collected primary data from selected respondent using five-point Likert scale questionnaire.

### **3.6 Data Analysis Method**

The questionnaires distributed, collected, coded and analysed using the statistical package for social science (SPSS 20). The data were analysed using both descriptive and inferential statistics. Descriptive analyses include frequency of distribution (to interpret demographic variables of respondents) and mean (to find the mean sores of independent and dependent variables) and inferential analysis was used for testing that includes correlations and regression. Pearson correlation also used to examine the relationship between dependent and independent variables and multiple regression analysis was used to test hypotheses and identify significant factor.

### **3.7 Validity**

Validity is concerned with whether the findings are really about what they appear to be about (Sounders et. al., 2003). Validity defined as the extent to which data collection method

or methods accurately measure what they were intended to measure (Sounders et. al., 2003). Numbers of different steps are taken to ensure the validity of the study:

- Data collected from the reliable sources, from respondents who have experience in building construction project.
- Survey question was made based on literature review and frame of reference to ensure result validity.

### 3.8 Reliability

Reliability refers to the consistency and stability of measurement. The finding of this research study said to be reliable if other researchers repeated this study and obtained the same result. In order to avoid the event that the respondents would feel inconvenience to answer the questions, a specific time frame for the survey questionnaire was set. The reason for that is to create a flexible time for respondents, so that they could find an opportune time to answer the questions in a concentrated way. Moreover, this manner helps to avoid the situation when some participants drop out of the studies due to lack of time. The design of questionnaire was considered carefully in order to ensure that respondents would not misunderstand the meaning of each question. Therefore the questionnaires were divided into sections for respondent to concentrate on each question. More so to increase the reliability of the study, five scale likert scale techniques was used in order to ensure the reliability of the measures, the Chronback's alpha value should be  $>0.70$ .

Therefore, the overall reliability of the scale was found to be 0.951 (table 3.1) which indicates the acceptability of the items.. The values of the reliability analysis were listed on the [following Table 3.1.

**Table 3.1: Reliability Statistics**

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.951	.951	6



Source: Own survey and SPSS output, (2019)

### **3.9 Ethical Consideration**

A letter written from the university was taken to the respective bodies to undertake a pre survey and to assure that the study is meant to be used for academic purpose. Confidentiality and anonymity of the respondents was ensured throughout the execution of the study for participants were not expected to disclose their personal information.

The purpose and the benefit of the study and the voluntary nature of participation were discussed with each study participants, and informed verbal consent was obtained. The right of the respondents to refuse to answer for few or all questions was respected.

## **CHAPTER FOUR**

### **RESULTS AND DISCUSSIONS**

#### **4.1. Introduction**

This chapter consists of the presentation, analysis and the interpretation of data gathered through structured questionnaire. The data considered in this chapter is obtained by using SERVQUAL model. After developing and pretesting the questionnaire, key informants were identified, questionnaires distributed, filled questionnaires collected.

The first part presents the characteristics of the respondents; the second part presents detailed analysis and discussion of data collected through questionnaire.

## 4.2 Rates of Response

A total of 82 questionnaires were distributed to target respondent. Out of the total 82 questionnaires, 74 questionnaires were obtained which is 90% response rate.

**Table 4.1: Sample size**

<b>Sample Size</b>	<b>82</b>
<b>Completed and Returned Questionnaires</b>	74
<b>Response Rate</b>	90%

Source: Own survey, 2019; SPSS 20

## 4.3. General Information about the Respondents

The first part of the questionnaire consists of general information about the respondents. This part of the questionnaire requested a limited amount of information related to personal and professional characteristics of the respondents. Accordingly, the following variables about respondents were summarized and described. These variables include: types of the organization, role in the organization and awareness about Zeleman communications company.

**Table 4.2: General Information about the respondents**

<b>Product Dimension</b>	<b>Measurement scale</b>	<b>N=74</b>	<b>100 %</b>
Types of your organization	Private Organization	9	12.2
	Governmental Organization	35	47.3
	Manufacturer	10	13.5
	Non-governmental organization	20	27.0
	Others	-	-
position in the organization	Director	20	27.0
	Manager	45	60.8

	Advisor	5	6.8
	Officer	3	4.1
	Others	1	1.4
Respondents experience	below 4 years	6	8.1
	5 to 10 years	12	16.2
	11 to 15 years	37	50.0
	16 and Above	19	25.7
Awareness about Zeleman	Advertising	4	5.4
	Recommendation by friends/family	49	66.2
	Personal selling (by Company)	3	4.1
	Words of mouth	18	24.3

Source: Own survey, 2019: SPSS 20

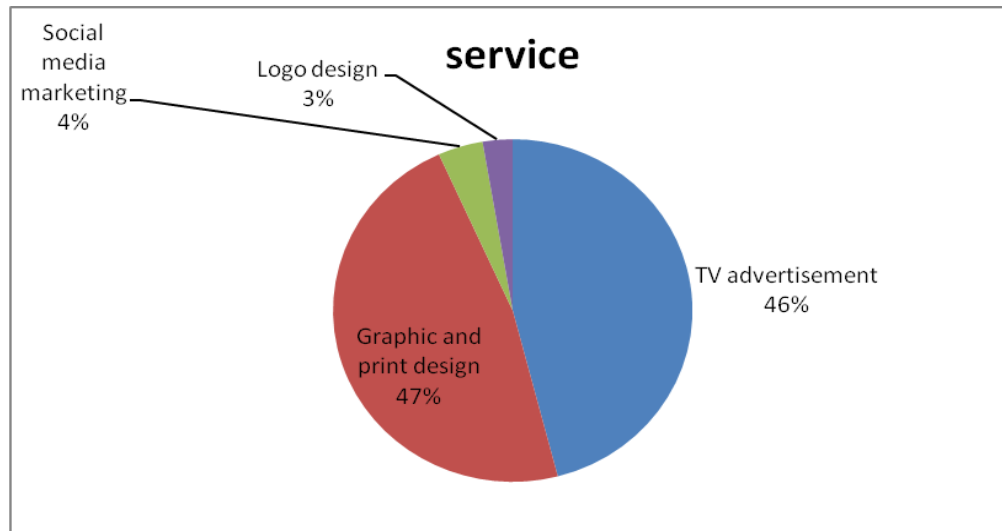
Analysis of the participants indicated that a total of 9 (12%) from private organization, 35 (47%) from governmental organization, 10 (13%) from manufacturer and 20 (27%) from non-governmental organization were the respondents.

Various occupational positions were taken in to account in the questionnaire this include about 27% and 60% are director and manager respectively. Close to 7% and 4% are advisor and officer respectively.

The data concerning the length of service of the respondents indicates that 6 (8.1%), 12 (16%), 37 (50%) and 19 (25%) have served for below 4 years, 5-10 years, 11-15 years and for more than 16 years respectively. This may reveal that all of them are familiar with the system in place and are able to give reliable information about the current situation.

The above table shows the type of media through which customers came to know about the services of Zeleman plc. About 5% and 66% of the respondents came to know about the service of the company through advertising and recommendation by friends/family. About 4% of the respondents came to know about the service of the company through Personal selling (by Company) and 24% by Words of mouth.

**Figure 4.1: Kinds of services used by customer**



Source: own survey 2019, SPSS 20

The above figure shows that the kind of service used by customer from Zeleman communications. Out of 74 total respondents, 3% and 4% of the respondents received logo design and social media marketing respectively. 46% respondents received TV advertisement. The remaining 47% of respondents received graphic and print design form Zeleman communication which covers the largest portion.

#### **4.4 Descriptive Statistics**

After collecting, screening, and organizing of the data gathered through questionnaire filled by different employee, the researcher came across the following finding about effects of advertising agencies service quality on customer relationship. The data collected are tabulated in which it shows the frequency/number of respondents and the percentage from the total 74 sample size.

The feedback of the respondents for the variables indicated below were measured on five point Likert scale with measurement value 1= Strongly disagree; i.e. very much dissatisfied

with the case described; 2= Disagree, i.e. not satisfied with the case described; 3= Neutral, i.e., uncertain with the case described; 4= Agree, i.e., feeling all right with the case described and considered as satisfy; and 5 =strongly agree, i.e. very much supporting the case described and considered as highly satisfy. To make easy interpretation, the following ranges of values were reassigned to each scale: Less than 2.8 = Disagree, 2.9-3.2 = Neutral, Above 3.2 = Agree

#### 4.4.1 Tangible dimension

Tangibles encompass the appearance of the company representatives, facilities, materials, office equipment and printed materials. Tangibles are used by firms to convey image and signal quality, Zeithmal (2009). The objective of the study was to identify customers’ perception on services quality using SERVQUL, tangible dimensions in the case of Zeleman Communication company. The respondents were asked to indicate their levels of agreement. The findings are presented in the table 4.3 below.

**Table 4.3: Tangible dimension**

S.	Tangible dimension		SD	D	N	A	SA	MS	SDV
1	Zeleman communications has latest service equipment.	N=74	-	11	22	16	25	3.6	0.9
		100	-	15	29	34	22		
2	The office of Zeleman communications is attractive.	N=74	-	9	30	32	3	3.3	0.7
		100	-	13	40	43	4		
3	Zeleman communication company staff appearance is appropriate.	N=74	-	14	32	20	8	3.3	0.9
		100	-	18	43	27	11		

4	Materials associated with the service are visually appealing.	N=74	-	21	17	26	10	3.3	1.0
		100	-	28	23	35	13		
Valid N									

Source: **Own survey, 2019; SPSS 20**

Analyzing the data obtained from the questionnaire, table 4.3 reveals that the study measured the tangible dimensions in the case of Zeleman Communication company and its service performers by taking four sub variable through questionnaire survey from customers. Concerning Zeleman communications has latest service equipment the survey result showed that, 22% of respondents were strongly agreed, 34% respondents were agreed, 29% of respondents are neutral, while 15% respondents were disagree. As a result the majority of the respondents agreed that Zeleman has latest service equipment.

The above table shows the office attractiveness of Zeleman communications. The majority of respondents (47%) replied that the office of Zeleman communications is attractive. About 40% replied neutral. On the other hand, 13% of respondents were responding opposite.

The above table depicts Zeleman communication staff appearance. Nearly 11% and 27% of the respondents selected strongly agree and agree respectively. About 43% of them select neutral, while 18% of the respondents selected disagree. Thus, it indicates that the Zeleman is having professional and attractive appearance for the customers; employees are professional and have humble attitudes toward customers.

Lastly, the respondents were asked the materials visually appealing associated with the service. About 13% and 35% of the respondents selected strongly agree and agree respectively. However, 28% respondents were disagreeing regarding this issue. Therefore, the majority of the respondents agreed that materials associated with the service are visually appealing.

#### **4.4.2 Reliability dimension**

Reliability attributes refers the ability of company to promise to do something in a certain time and performing as promised, the capacity of showing sincere interest in solving their

customers' problems, and the ability to perform the service right the first time. In assessing customer perception related to reliability dimension, various related issues were presented for the reflection of the respondents. Table 4.4 below illustrates the reflection of the respondents regarding reliability dimension.

**Table 4.4: Reliability dimension**

S.	Reliability dimension		SD	D	N	A	SA	MS	SDV
1	Zeleman communication company provides services at schedule time as promised?	N=74	2	44	15	7	6	2.6	0.9
		100	3	60	20	9	8		
2	Zeleman communication shows a sincere interest for solving problems what you face?	N=74	-	11	40	18	5	3.2	0.7
		100	-	15	54	24	7		
3	Zeleman communication company service staff can fulfill their promises to the customers?	N=74	-	15	24	19	16	3.4	1.0
		100	-	21	32	26	21		
4	Employees of Zeleman communication company are reliable?	N=74	-	24	26	17	7	3.0	0.9
		100	-	32	35	23	9		
5	Zeleman communication company employees can place it-self in the customers' shoes?	N=74	2	29	26	11	6	2.8	0.9
		100	3	40	35	15	8		
	Valid N								

Source: **Own survey, 2019**

Table 4.4 above depicts perception of customers about the company provides services at schedule time as promised. 63% of respondents were strongly disagreed; about 8% and 9% of the respondents were strongly agreed and agree respectively. This tells us that the company doesn't provide services at schedule time as promised.

The above table shows perception of customers about sincere interest for solving problems in Zeleman communication. About 16% and 19% of the respondents were strongly agreed and agree respectively. However, 15% respondents were disagreeing regarding this issue.

Regarding the employees of Zeleman communication company reliability; about 32% and 35% of the respondents disagree and neutral respectively. Close to 23% of the respondents were agree and 9% of the respondents strongly agree with this idea. This response clearly indicates that Zeleman communication company is not doing something in a certain time and performing as promised, the capacity of showing sincere interest in solving their customers’ problems, and the ability to perform the service right the first time. About “company employees can place it-self in the customers’ shoes”, 43% of the respondents respond disagree.

#### 4.4.3 Responsiveness dimension

Responsiveness is willingness to help customers and provide prompt service (Parasuraman et al., 1988). It is therefore very important to employees of the company to help customers and provide quality service. Responsiveness has to do with the degree with which Zeleman communication were able to respond to the needs and wants of customers. For a firm to be responsive, it must gain deeper understanding and profiling of customer behavior, real-time customer information and loyalty, and management at point of service. The respondents were asked to indicate their levels of agreement. The findings are presented below in the table 4.5

**Table 4.5: Responsiveness dimension**

S.	Responsiveness dimension		SD	D	N	A	SA	MS	SDV
1	Employees of Zeleman can immediately respond to customer demands?	N=74	1	5	22	27	19	3.7	0.9
		100	1.4	6	29	37	25		
2	Employees of Zeleman can help customers solve problems	N=74	-	9	19	32	14	3.6	0.9
		100	-	12	25	43	19		



	immediately?								
3	Employees of Zeleman give me prompt service	N=74	1	4	22	28	19	3.8	0.9
		100	4	5	29	38	26		
4	Employees of Zeleman has the willingness and passion to provide quality service to their customers	N=74	-	12	24	26	12	3.5	0.9
		100	-	16	32	35	16		
Valid N									

Source: Own survey, 2019

The description presented on table 4.5 tells us the majority (62%) of the respondents were found to be confident with the above statement. The rest 29% of the respondents, however, found to be neutral regarding the aforementioned statement, while 6% of them show their disagreement with immediately respond to customer demands.

With regard to “employees of Zeleman can solve customers’ problem immediately”, the feeling of respondents indicate that 19% and 43% of customers strongly agree and agrees respectively. Thus, it indicates that the Zeleman employee can help customer in solving problems immediately.

Table 4.5 above depicts employees of Zeleman has the willingness and passion to provide quality service to their customers. 16% of respondents were strongly disagreed; about 16% and 35% of the respondents were strongly agreed and agree respectively. This tells us they have the willingness and passion to provide quality service.

#### 4.4.4 Assurance Dimension

Assurance dimension refers to knowledge and courtesy of employees and their ability to inspire trust and confidence (Parasuraman et al., 1988). It is thus essential to employees of the company to have knowledge, skill, capacity and experience about service delivery. Table 4.6 below illustrates the reflection of the respondents regarding process dimension.

#### Table 4.6: Assurance Dimension

S.	Assurance dimension		SD	D	N	A	SA	MS	SDV
1	Employees of Zeleman are equipped with the professional ability to provide quality service?	N=74	-	7	23	26	18	3.7	0.9
		100	-	9.5	31	35	24.3		
2	Employees of Zeleman can make their customers feel respected.	N=74	-	7	24	28	15	3.6	0.9
		100	-	9	32	38	21		
3	Employees of Zeleman are polite and friendly	N=74	-	6	23	24	21	3.8	0.9
		100	-	8	31	32	28		
4	Employees of Zeleman can effectively communicate with their customers?	N=74	-	6	29	27	12	3.6	0.8
		100	-	8	39	37	16		
	Valid N								

Source: Own survey 2019; SPSS 20

Analyzing the data obtained from the questionnaire concerning employees of Zeleman are equipped with the professional ability to provide quality service the result showed that, 24% and 35% of respondents were strongly agreed and agreed respectively, 31% of respondents are neutral, while 9% respondents were disagree. As a result the majority of the respondents agreed that Zeleman equipped with the professional ability to provide quality service.

Regarding the employees of Zeleman can make their customers feel respected; the majority of respondents (59%) employees can make their customers feel respected.

Lastly, the respondents were asked employees of Zeleman can effectively communicate with their customers. About 16% and 37% of the respondents selected strongly agree and agree respectively. However, 8% respondents were disagreeing regarding this issue. Therefore, the majority of the respondents agreed that asked employees of Zeleman can effectively communicate with their customers.

#### 4.4.5 Empathy Dimension

Empathy represents care and individual attention the firm provides to its customers (Parasuraman et al., 1988). Zeleman should hence make customers feel like a family in order to become empathetic. If the customers feel well treated and assured of good relationship, they will remain loyal. Empathy, a key component of emotional intelligence, is as essential for harmonious and productive relationships in the workplace as much as in personal life. Table 4.7 below illustrates the reflection of the respondents regarding empathy dimension.

**Table 4.7: Empathy Dimension**

S.	Empathy dimension		SD	D	N	A	SA	MS	SDV
1	Employees of Zeleman are proactive in understanding customer's demands?	N=74	-	18	22	18	16	3.4	1.0
		100	-	24	29	24	22		
2	Zeleman has employees who give you personal attention.	N=74	-	7	36	20	11	3.4	0.8
		100	-	9	48	27	15		
3	Zeleman communication operating hours convenient to you?	N=74	-	6	28	23	17	3.6	0.9
		100	-	9	37	31	23		
4	Employees of Zeleman can think based on benefits to customers?	N=74	-	9	29	20	16	3.5	0.9
		100	-	12	39	27	22		
5	Employees of Zeleman understand your specific needs	N=74	2	14	25	25	8	3.3	0.9
		100	2.7	18	33	33	10		
Valid N									

Source: **Own survey, 2019; SPSS 20**

Table 4.7 above depicts employees of Zeleman are proactive in understanding customer's demands. 24% of respondents were strongly disagreed; about 24% and 22% of the respondents were strongly agreed and agree respectively. This tells us employees of Zeleman can understand customer's demands.

The description presented on table 4.7 tells us the majority (54%) of the respondents was found to be confident with the above statement. The rest 37% of the respondents, however,

found to be neutral regarding the aforementioned statement, while 9% of them show their disagreement with Zeleman communication company operating hours convenient to customer.

With regard to “employees of Zeleman understand your specific needs”, the feeling of respondents indicates that 33% and 10% of customers strongly agree and agrees respectively. Thus, it indicates that the Zeleman employee can understand the specific needs of customer.

#### 4.4.6 Customer Relationship

As explained in the literature review, Customer relationship is the core business strategy that integrates internal processes and functions, and external networks, to create and deliver value to targeted customers at a profit. It is grounded on high quality customer related data and enabled by information technology”.

**Table 4.8: Customer Relationship**

S/No	Variables	N=74	Mean	Std. Deviation
1	Customer Identification	74	3.78	0.8
2	Customer Attraction	74	3.65	0.7
3	Customer Retention	74	3.95	0.9
4	Customer Development	74	3.35	0.9

Source: **Own Survey, 2019: SPSS 20**

The above table shows respondents perception towards customer relationship measurement dimensions. As clearly seen in the table 4.8 the perception of respondents on customer retention is 3.9, in terms of mean score which is better than other customer relationship dimensions. On the other hand, customer attraction and customer identification have moderate perception with mean score of 3.6, and 3.7 respectively. However, customer development is relatively the least perceived value from the dimensions with mean score of 3.5.

## 4.5 Inferential Analysis

The inferential analysis section includes correlation and regression analysis to assess the relationship between the SERVQUAL service quality dimensions and customer relationship.

### 4.5.1 Correlation Analysis

Correlations are the measure of the linear relationship between two variables. A correlation coefficient has a value ranging from -1 to 1. Values that are closer to the absolute value of 1 indicate that there is a strong relationship between the variables being correlated whereas values closer to 0 indicates that there is little or no linear relationship (Fikre et al, 2009).

As described by Andy (2006) the correlation coefficient is a commonly used measure of the size of an effect: Values of  $\pm 0.1$  represent a small effect,  $\pm 0.3$  is a medium effect and  $\pm 0.5$  is a large effect. As explained on Fikre et al (2009) “the sign of a correlation describes the type of relationship between the variables being correlated. A positive correlation coefficient indicates that there is a positive linear relationship between the variables. A negative value indicates a negative linear relationship between variables.

The correlation between dependent and independent variables along with the causal effect was analyzed using Statistical Package for Social Science (SPSS). The below correlation matrix shows correlation between variables in the questionnaire with a Pearson Correlation coefficient to show the strength of relationship among the variables considered in the questionnaire. As per table 4.9 Below, the coefficient show that all independent variables were positively related with dependent variable within the range of, were all are significant at  $p < 0.05$  level.

**Table 4.9: Relationship between Service Quality Dimensions and Customer Relationship**

		Correlations				
		tangible1	reliable1	responsible1	assurance1	emapthy1
tangible1	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	74				

reliable1	Pearson Correlation	.653**	1			
	Sig. (2-tailed)	.000				
	N	74	74			
responsible1	Pearson Correlation	.674**	.693**	1		
	Sig. (2-tailed)	.000	.000			
	N	74	74	74		
assurance1	Pearson Correlation	.669**	.731**	.796**	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	74	74	74	74	
emaphy1	Pearson Correlation	.687**	.743**	.803**	.851**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	74	74	74	74	74
crm1	Pearson Correlation	.733**	.765**	.901**	.874**	.877**
	Sig. (2-tailed)	.000	.000	.000	.000	.000
	N	74	74	74	74	74

Correlation is significant at the 0.01 level (1-tailed).

*Source: SPSS Correlation output*

### **Hypotheses # 1**

H1O: Tangibles does not have positive relationship with customer relationship

H1A: Tangibles has positive relationship with customer relationship

As indicated on table 4.9, the correlation (r) of tangibles is .733\*\* and the p-value is .000 which is less than .01. From this one can understand that there is strong positive relationship between tangibles and customer relationship. Therefore, the null hypostasis is rejected.

### **Hypotheses # 2**

H2O: Reliability does not have positive relationship with customer relationship

H2A: There is a positive relationship between reliability and customer relationship

As indicated on table 4.9 the correlation (r) for reliability is .765 and the p-value is .000 which is less than the significant level .01. This positive correlation coefficient (.765)

indicates that there is a strong positive correlation between reliability and customer relationship. From this we conclude that when there is an increase in the reliability of Zeleman there is an increment in customers' relationship. Therefore, the null hypothesis is rejected.

### **Hypotheses # 3**

H2o: Responsiveness does not have positive relationship with customers' relationship

H2a: Responsiveness has positive relationship with customers' relationship

As stated on above table 4.9, the correlation (r) of responsiveness is .901\*\* and p-value is .000, which is less than .01. This implies that there is a strong positive relationship between responsiveness and customers. This means if the Zeleman increase the responsiveness dimension of the service quality they can also increase their customer's relationship. Thus the null hypothesis is rejected.

### **Hypotheses # 4**

H4O: Assurance does not have positive relationship with customer's relationship

H4A: Assurance has positive relationship with customer's relationship

The above table shows that the correlation (r) of assurance is .874\*\* at .01 significant level. The result indicated that the p-value is .000, which is less than the significant level. This indicated that there is strong positive relationship between assurance and customer's relationship. As a result we reject the null hypothesis.

### **Hypotheses # 5**

H5O: Empathy does not have positive relationship with customer's relationship

H5A: Empathy has positive relationship with customer's relationship

As per table 4.9, the correlation ( $r$ ) of empathy is .877\*\* and the significant level is .01. The p-value is .000 which is less than the significant level. As a result, null hypothesis is rejected and the conclusion would be that, there is a strong positive relationship between empathy and customer relationship. Meaning, the more employees of the Zeleman increase the level of empathy, the more they can satisfy their customers.

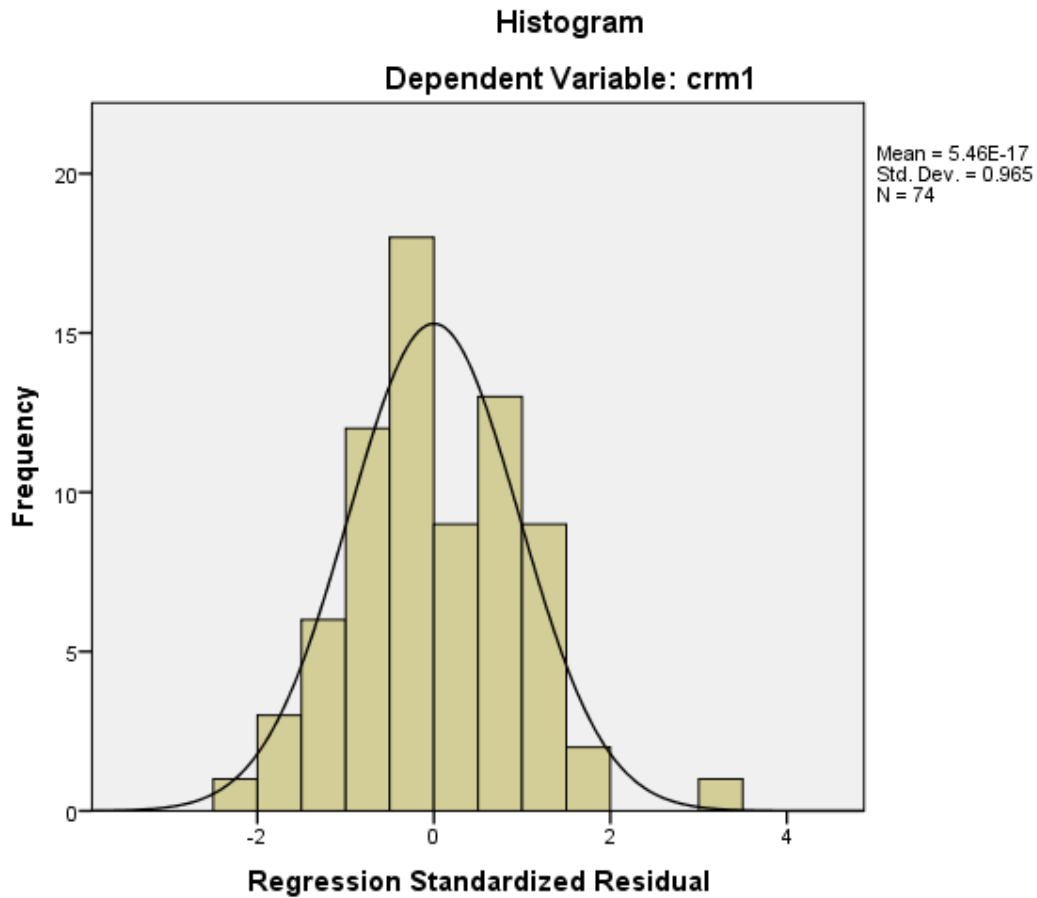
#### **4.5.2 Normality Test**

Normality test is used to determine whether the error term is normally distributed. According to Brooks, (2014), if the residuals are normally distributed, the histogram should be bell-shaped and the Bera–Jarque statistic would not be significant. This means that the p-value given at the bottom of the normality test screen should be bigger than 0.05 to not reject the null of normality at the 5% level. Theoretically, if the test is not significant, then the data are normal, so any value above 0.05 indicates normality. On the other hand, if the test is less than 0.05 which proves significance, then the data are non-normal.

As shown in the histogram below in the figure 4.2 the distribution of the panel observation is symmetric about its mean.

#### **Figure 4.2: Normality Test for Residuals**

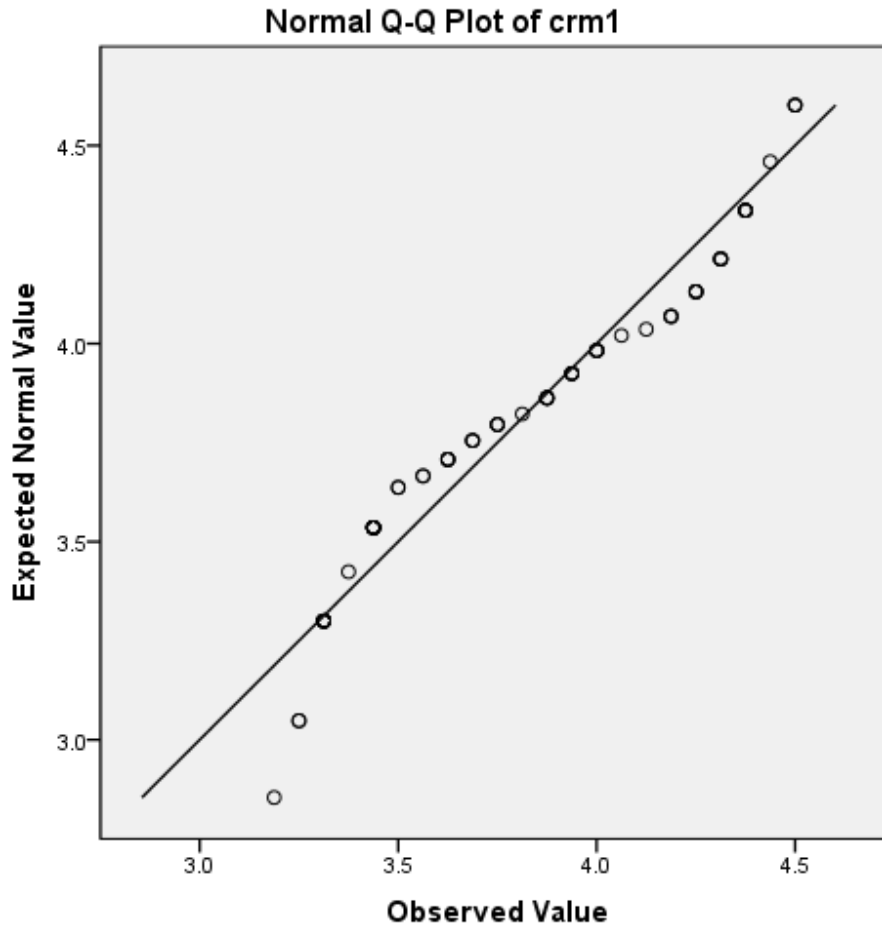




### 4.5.3 Linearity Test

Since general linear model assume linearity, it is necessary testing for non-linearity. In this regard as Garson (2012) pointed out, simple inspection of scatter plots is a common method for determining if nonlinearity exists in a relationship. Consequently, the researcher run simple scatter plot to see if there is a linear relationship exists between the variables.

**Figure 4.3: Normally distributed errors**



Source: **SPSS output (2019)**

The normal probability plot also shows up deviations from normality. The straight line in this plot represents a normal distribution, and the points represent the observed residuals. Therefore, in a perfectly normally distributed data set, all points will lie on the line (Field, 2009).

Likewise, as we seen in the above figure (figure 4. 3), the dots are closely plotted to the straight line, which indicate a small or no deviation from normality and there are no extreme cases observed. Therefore, the assumptions of simple linear regression have been met and we can possibly assume that the model is accurate and can probably generalize to the population.

#### **4.5.4 Multicollinearity Test**

In multiple regression analysis, the regression coefficients become less reliable as the degree of correlation between the independent variables increases. Thus, if there is a high degree of correlation between independent variables, we have a problem of what is commonly described as the problem of multicollinearity (Kothari, 2004).

In this regard, based on the correlation matrix (table 4.9), the correlation between service quality dimensions and customer satisfaction. As a result, checking for the multicollinearity effect (Collinearity diagnosis) is essential. Consequently, the collinearity statistics result for all independent variable constituents were performed on SPSS and presented as follows.

**Table 4.10: Multicollinearity Test**

**Coefficients<sup>a</sup>**

Model	Collinearity Statistics		
	Tolerance	VIF	
1	tangible1	.454	2.204
	reliable1	.383	2.612
	responsible1	.291	3.441
	assurance1	.228	4.389
	emaphy1	.212	4.708

Source: **SPSS output (2019)**

According to Menard (1995), a tolerance value lower than 0.20 suggests a multicollinearity problem. The minimum value in our model was 0.212. Alternatively, following Myers (1990) and Bowerman and O'Connell (1990), a variance inflation factor (VIF) above 10 indicates the possible existence of a multicollinearity problem. In our model the maximum value was 0.454. So multicollinearity does not exist for the independent variables.

#### **4.5.5 Multiple Regression Analysis**

Regression analysis is a statistical process for estimating the relationships among variables. It includes many techniques for modeling and analyzing several variables, when the focus is on the relationship between a dependent variable and one or more independent variables. More specifically, regression analysis helps one understand how the typical value of the dependent variable changes when any one of the independent variables is varied, while the other independent variables are held fixed. In this study regression analysis is used to identify the impact of service quality dimension on customer relationship thus it answers the third research question.

**Table 4.11: Model Summary**

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.951 <sup>a</sup>	.904	.897	.12760

Source: SPSS output (2019)

This model summary shows the R squared, the adjusted R squared and the standard error of estimate. R-squared is a statistical measure of how close the data are to the fitted regression line. It is also known as the coefficient of determination, or the coefficient of multiple determinations for multiple regressions.

R-Squared is the proportion of variance in the dependent variable which can be explained by the independent variables. The R-squared in this study was 0.90, which shows that the five independent variables (tangibility, reliability, responsiveness, empathy and assurance) can explain 90% of the dependent variable. This shows that the other factors not studied in this study explain 10% of the dependent variable (customer relationship).

**Table 4.12: Analysis of Variance**

**ANOVA<sup>a</sup>**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	10.377	5	2.075	127.467	.000 <sup>b</sup>
	Residual	1.107	68	.016		
	Total	11.485	73			

From the ANOVA table it has been determined that  $F = 127.4$  and Sig. is .000 which confirms that service quality dimensions have significant impact on customer relationship. Hence the result depicted that the alternative hypothesis “Service Quality has a significant impact on customer relationship in Zeleman communication” is accepted. Accordingly the null hypothesis is rejected. Furthermore question number three of the research question is answered.

**Table 4.13: Regression Coefficients****Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.342	.182		1.873	.065
	Tangible	.116	.072	.089	1.599	.015
	Reliable	.087	.064	.083	1.358	.079
	Responsible	.452	.074	.426	6.105	.000
	Assurance	.254	.085	.235	2.979	.004
	Empathy	.204	.079	.211	2.587	.012

Source: SPSS output (2019).

**Regression Equation**

$$Y = a + bX1 + bX2 + bX3 + bX4...$$

$$CR = 0.342 + 0.087TAN + 0.019REL + 0.452RES + 0.254EMP + 0.204ASS$$

Where, CR = Customer relationship

TAN = Tangibility

REL = Reliability

RES = Responsiveness

EMP = Empathy

ASS = Assurance

From this the regression equation is derived as:

The result of this study indicates that, five of the service quality dimension has a positive and significant effect on customer relationship. Though this conclusion is differing to the study conducted by Tizazu Kassa (2012), he conclude that four service quality dimensions including tangibility, reliability, assurance and empathy have positive and significant effect on customer satisfaction. The findings of his study also indicated that responsibility is the most important factor to have a positive and significant effect on customer relationship. Tibebe Zeleke (January, 2012), his finding is the same with this study finding, all of the five service quality and customer satisfaction have positive sign and are statistically significant.

## **4.6. Discussion of Results**

This section discusses the findings of the statistical analysis:-

### **Tangible**

Tangible is the physical appearance of facilities, equipment, staff, and written materials. From the regression analysis we can see that here is a positive statistical relationship between tangibility (the independent variable) and relationship (the dependent variable). As the table above presents the coefficient of determination (R-squared) indicates the proportionate amount of variation in the response variable (customer relationship) explained by the independent variable (tangibility) in the linear regression model. Thus a unit increase

in tangibles leads to .116 increases in customer satisfaction other things being constant. Therefore the more the Zeleman invests on its physical facilities equipment, technology and appearance of its personnel the more it satisfies its customers.

### **Reliability**

Reliability is the extent to which the service is delivered to the standards expected and promised.

In essence, it represents the customer getting what they feel they have paid for.

From the regression analysis we can see that here is a positive statistical relationship between reliability (the independent variable) and customer relationship (the dependent variable). Thus a unit increase in reliability leads to .087 increases in customer relationship other things being constant. Zeleman should invest to enhance its ability to perform the promised service dependably and accurately so that the satisfaction level of its customers increases. The findings of this research match with that of Zeithaml (1990) who pointed out that reliability is one of the important factors of customer satisfaction.

### **Responsiveness**

The responsiveness dimension involves willingness to help customers and provide prompt services. It is essential that front line staffs are willing and able to help customers with prompt service and meet customers' expectation.

From the regression analysis we can see that here is a positive statistical relationship between responsiveness (the independent variable) and customer relationship (the dependent variable). Thus a unit increase in responsiveness leads to .542 increase in customer relationship other things being constant. Therefore the more the Zeleman invests on enhancing its employee's ability to help customers and be responsive to customer's enquiry, the more the customer is satisfied.

### **Empathy**

Empathy is providing caring and individualized attention to customers to make them feel they are receiving caring services and individualized attention. Service empathy characterizes both the service provider's willingness and capability to respond to individual customer desires. From the regression analysis we can see that there is a positive and statistically significant relationship between empathy (the independent variable) and customer relationship (the dependent variable). Thus a unit increase in empathy leads to .254 increases in customer relationship other things being constant. Therefore the more the Zeleman gives care and individualized attention to customers, the more the customer is satisfied.

### **Assurance**

The assurance dimension refers to the knowledge and courtesy of employees and their ability to inspire trust and confidence including competence, credibility and security. From the regression analysis we can see that there is a positive and statistically significant relationship between assurance (the independent variable) and customer relationship (the dependent variable). Thus a unit increase in assurance strongly increases customer relationship by .204 other things being constant. Therefore the more the company invests on enhancing its employee's knowledge, skill and on their ability to instill confidence to serve customers, the more the customer is satisfied.

## **CHAPTER FIVE**



# **SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS**

## **5.1. Introduction**

The final part of this research paper provides summary of the findings of the study, conclusions and recommendations for the effect of service quality on customer relationship in Zeleman Communication, Advertising and Production PLC, which were drawn from the findings and discussions of the data collected by questionnaires. The chapter is structured as follows: Summary, conclusion, recommendations and suggestions for further research.

## **5.2. Summary of Findings**

The following are the major summaries obtained based on the results and discussions made in the previous chapter:

The study was intended to investigate the effect of service quality on customer relationship in Zeleman communication. Primary data was gathered by using structured questionnaire. A total of 74 structured questionnaires were distributed to all customers of Zeleman communication. Quantitative descriptions were applied on the data gathered to analyze the information obtained. By undertaking a detailed analysis of the situation, the following findings were obtained. Majority of the respondents indicated that Zeleman has latest service equipment, staff appearance and service facilities are appealing and appropriate.

- The study has shown that the company does not provides services at schedule time as promised, companies are not reliable and company employees can place it-self in the customers' shoes.
- Majority of the customers stated that Zeleman can immediately respond to customer demands, can help customers solve problems immediately, give prompt service and has the willingness and passion to provide quality service to their customers.

- Based on the assessment majority of the respondents indicate that employees of Zeleman are equipped with the professional ability, employees are polite and friendly and can make their customers feel respected.
- To measure the effects of advertising agencies service quality on the level of customer relationship is the main objective of the study. To this effect hypothesis were developed to investigate how service quality dimensions can affect and impact on the level of customer relationship. The paper adopted quantitative research strategy and used self-administered questionnaire to collect data from the customers. Descriptive statistics like frequency mean and Pearson correlation analysis techniques were applied to analyse background information of respondents, respondent's perception on service quality and relationship. In addition, regression analysis technique was applied to investigate impacts of service quality dimensions on customer's relationship and also to test the research hypothesis.
- The correlation result shows that there is a positive and significant relationship between tangibility, reliability, assurance, responsiveness, empathy and customer relationship. The finding also indicates that the highest relationship was found between responsiveness and customer relationship, while the lowest relationship was found between tangibility and customer relationship. Furthermore, the multiple regression results showed that the five service quality dimensions (tangibility, reliability, assurance, responsiveness and empathy) have positive and significant effect on customer relationship. The R square value of 0.90, demonstrates that 90% of variation in customer relationship can be accounted by the service quality dimensions.

### **5.3. Conclusions**

Based on the aforementioned summary of the finding the following conclusions were proposed as follows.

- Looking at the first objective of the study which was to determine the effect of service quality on customer relationship in Zeleman communication company, the finding shows that service quality has a positive and significant effect on customer relationship.
- On the second objective of the study which was to determine the effect of service quality on customer relationship in Zeleman communication company are not providing the service as promised, and they are not providing the service on the time they promised to do so as expected by customers but the finding shows that service quality has a positive and significant effect on customer relationship.
- Operating hours of the Zeleman, the dressing and appearance of employees were relatively good.
- When the company responsiveness became high, the level of customer relationship also increases. Therefore, willingness and readiness of employees in providing service has positive effect on customer relationship. Thus customers' prefer the company which is willing and ready to give prompt service and to tell the exact time when they provide service. Also they expect help and answer for their problems and question from front line employees.
- Zeleman give prompt service and has the willingness and passion to provide quality service to their customers.
- If the company understand customer needs and provide individualized attention to their customer or increase the empathy they can also improve the level of customer's relationship.

- The company facilities, equipment's and the appearance of personnel have positive effect on customer relationship.

## **5.4. Recommendations**

Based on the findings of the study, the following recommendations are made:

- Reliability dimension was considered as one of the most important factors influencing customer relationship. However, the customers were found less satisfied in this regard. One way of handling this problem is by delivering its services at promised times, and handling customer's complaints effectively.
- Even though, the customers of Zeleman moderately satisfied in terms of the empathy dimensions they need to upgrade it. One way of addressing this could be by treating customer with great respect, giving individual attention to customers, serving customers based on their specific needs and improving its branch accessibility and working hours in a way it meets the customer's need.
- Office grooming, equipping it with modern facilities and in sum, organizing the office in well and comfortable manner have immeasurable value in facilitating service delivery system that in turn increases the satisfaction of customers. Thus, the company should acquire modern and modern-looking equipment's and visually appealing physical facilities and the company should also prepare their materials in clear, understandable and visually appealing manner.

## **5.5. Suggestions for Further Research**

In general, the findings of this study offer additional insights into service quality of Zeleman production. This study included only five factors, there could be some other relevant factors that may be perceived as important by customers, but those were excluded from this study. Future researches, therefore, may consider more factors, like corporate image, location, price, staff attitude and other variables which can influence customer relationship.

Furthermore, conducting a replication study in other service industries is also needed; for example in the hotel service, telecommunication service, post office service and so on.

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## APPENDIX

### Appendix 1:

### Questionnaire: Service quality and customer relationship survey



**ST. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES COLLEGE  
OF BUSINESS AND ECONOMICS  
DEPARTMENT OF MARKETING MANAGEMENT**

### Questionnaire

**Dear respondent,** I am a graduate student at St. Mary's University. The purpose of this study is to measure **the effect of advertising agencies service quality on customer relationship** in Zeleman Communication, Advertising and Production PLC. Your kind cooperation will help in getting reliable data and I want to assure that it will be used only for this study. Please try to answer all stated questions.

If you have any questions, please contact me through my:-

E-mail: [bezmakeph@gmail.com](mailto:bezmakeph@gmail.com)

Phone #: +251-911-44 06 16 / 913 13 53 53

I thank you very much for your kind cooperation! Bezawit Kassahun

## PART ONE: - GENERAL INFORMATION ABOUT THE RESPONDENTS

1. Types of your Organization?

- |   |  |
|---|--|
| <input type="checkbox"/> 1. Governmental Organization     | <input type="checkbox"/> 4. Manufacturer |
| <input type="checkbox"/> 2. Private Organization          | <input type="checkbox"/> 5. Others       |
| <input type="checkbox"/> 3. Non Governmental Organization |  |

2. What is your role in the Organization?

- |                                      |                                     |                                    |
|--------------------------------------|-------------------------------------|------------------------------------|
| <input type="checkbox"/> 1. Director | <input type="checkbox"/> 3. Advisor | <input type="checkbox"/> 5. Others |
| <input type="checkbox"/> 2. Manager  | <input type="checkbox"/> 4. Officer |                                    |

3. How long have you work in the organization?

- |   |  |
|---|--|
| <input type="checkbox"/> 1. Less than a year      | <input type="checkbox"/> 3. Three up to five years |
| <input type="checkbox"/> 2. One up to three years | <input type="checkbox"/> 4. Above five years       |

4. How did you get the awareness about Zeleman communications company?

- |  |  |
|--|--|
| <input type="checkbox"/> 1. Advertizing                      | <input type="checkbox"/> 4. Words of mouth |
| <input type="checkbox"/> 2. Recommendation by friends/family | <input type="checkbox"/> 5. Others         |
| <input type="checkbox"/> 3. Personal selling (by Company)    |  |

5. What kind of service do you use from Zeleman communications?

- |  |   |
|--|---|
| <input type="checkbox"/> 1. TV advertisement         | <input type="checkbox"/> 4. Logo design |
| <input type="checkbox"/> 2. Graphic and print design | <input type="checkbox"/> 5. Others      |
| <input type="checkbox"/> 3. Social media marketing   |   |

## PART TWO: SERVICE QUALITY DIMENSIONS

The statements deal with the perceptions of service quality on Zeleman communications Company on Customer Relationship. Please show the extent to which these statements reflect your perception of service quality on Zeleman Communication. Please circle a number that shows your level of agreement with the following statements where (1 – Strongly disagree, 2 - Disagree, 3 - Neutral, 4 - Agree, and 5 – Strongly agree).

<b>Code</b>	<b>SERVICE QUALITY DIMENSIONS</b>	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
<b>I</b>	<b>TANGIBLE</b>					
TAN1	Are Zeleman communications has a latest service equipment	1	2	3	4	5
TAN2	The office of Zeleman communications is attractive	1	2	3	4	5
TAN3	Zeleman communication company staff appearance is appropriate	1	2	3	4	5
TAN4	Zeleman communication company service facilities are appealing and appropriate	1	2	3	4	5
<b>II.</b>	<b>RELIABILITY</b>					
REL1	Zeleman communication company provides services at schedule time as promised	1	2	3	4	5
REL2	Zeleman communication shows a sincere interest for solving problems what you face	1	2	3	4	5
REL3	Zeleman communication company service staff can fulfill their promises to the customers	1	2	3	4	5
REL4	Employees of Zeleman communication company are reliable	1	2	3	4	5
REL5	Zeleman communication company employees can place it-self in the customers' shoes	1	2	3	4	5

<b>III.</b>	<b>RESPONSIVENESS</b>					
RES1	Employees of Zeleman can immediately respond to customer demands	1	2	3	4	5
RES2	Employees of Zeleman can help customers solve problems immediately	1	2	3	4	5
RES3	Employees of Zeleman give me prompt service	1	2	3	4	5
RES4	Employees of Zeleman has the willingness and passion to provide quality service to their customers	1	2	3	4	5
<b>IV.</b>	<b>ASSURANCE</b>					
ASS1	Employees of Zeleman are equipped with the professional ability to provide quality service	1	2	3	4	5
ASS2	Employees of Zeleman can make their customers feel respected	1	2	3	4	5
ASS3	Employees of Zeleman are polite and friendly	1	2	3	4	5
ASS4	Employees of Zeleman can effectively communicate with their customers	1	2	3	4	5
<b>V.</b>	<b>EMPATHY</b>					
EMP1	Employees of Zeleman are proactive in understanding customer's demands	1	2	3	4	5
EMP2	Employees of Zeleman can provide customized service based on customer demands	1	2	3	4	5
EMP3	Zeleman communication company operating hours convenient to you	1	2	3	4	5
EMP4	Employees of Zeleman can think based on benefits to customers	1	2	3	4	5
EMP5	Employees of Zeleman can provide					

	empathetic service					
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### PART THREE: LEVEL OF CUSTOMER RELATIONSHIP MEASUREMENT

Code	CRM MEASURING	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree
<b>I.</b>	<b>CUSTOMER IDENTIFICATION</b>					
CI1	Zeleman company can effectively analyze and compare customer data to understand customer characteristics	1	2	3	4	5
CI2	Zeleman company can segment and classify their customers in order to provide effective marketing strategies that suit the target customer?	1	2	3	4	5
CI3	Zeleman company can discover the customers that will bring the highest profits	1	2	3	4	5
CI4	Zeleman company can discover the customers that cannot bring profits	1	2	3	4	5
<b>II.</b>	<b>CUSTOMER ATTRACTION</b>					
CA1	Zeleman company has established a user-friendly web site for their customers for searching product information, success stories, and other information	1	2	3	4	5
CA2	Zeleman company can design a customized marketing and sales plan based on customer preference	1	2	3	4	5
CA3	Zeleman company provided a comfortable shopping environment for their customers	1	2	3	4	5

CA4	Zeleman company can use TV commercial, e-mail, a web site, catalogues, and various media to promote itself	1	2	3	4	5
<b>III.</b>	<b>CUSTOMER RETENTION</b>					
CR1	Zeleman company provides products and services that fulfill their customers' demand	1	2	3	4	5
CR2	Are the customers willing to re-purchase Zeleman company's products and services	1	2	3	4	5
CR3	Zeleman company always maintains close interaction with their customers to establish long-term relationship	1	2	3	4	5
CR4	Zeleman company has established a good after-sales support service	1	2	3	4	5
<b>IV.</b>	<b>CUSTOMER DEVELOPMENT</b>					
CD1	Zeleman company has comprehensive marketing and sales plans	1	2	3	4	5
CD2	Zeleman company can transfer products and services to their customers with no complain	1	2	3	4	5
CD3	Zeleman customers are willing to recommended Zeleman company to their friends	1	2	3	4	5
CD4	Zeleman company is equipped with the ability to attract potential customers	1	2	3	4	5

