ST. MARY’S UNIVERSITY
SCHOOL OF GRADUATE STUDIES

DEPARTMENT OF MARKETING MANAGEMENT

THE EFFECT OF MARKETING MIX ON CUSTOMER SATISFACTION IN THE BREWERIES INDUSTRY: A CASE STUDY OF DASHEN BREWERIES S.C

BY
EDEN ZELEALEM

June, 2019
ADDIS ABELA, ETHIOPIA
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A THESIS SUBMITTED TO ST. MARY’S UNIVERSITY, SCHOOL OF GRADUATE STUDIES, IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF MARKETING MANAGEMENT

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DECLARATION

I, the undersigned, 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.

EDEN ZELEALEM

Name

Signature and Date
ENDORSEMENT

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

_____________________________  ____________________________
Advisor                        Signature
ACKNOWLEDGEMENTS

First and foremost, I would like to praise God for his generous blessings and provision of the courage, persistence and perseverance to realize my long awaited dream. Secondly. I would like to express my sincere gratitude to my family and friends for the great support they accorded me during the entire project process. Last but not the least, special thanks go to managements of United States International University for availing current books, journals and reference materials throughout the period of study.

I would like to express my sincere gratitude to my advisor TEMESGEN BELAYNEH (PhD), for his stimulating advice and constructive comments at every step of writing this thesis as well as for his unreserved efforts to assist me.
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ABSTRACT

Customer satisfaction is “an individual’s feeling of pleasure (or disappointment) resulting from comparing the perceived performance or outcome in relation to the expectation”. Through satisfying customers, organizations could improve profitability by expanding their business and gaining a higher market share as well as repeat and referral business. Marketing Mix is a marketing tool used by the company to reach marketing objectives in fulfilling the target market. On the other hand customers described 4P’s as the marketing tools used by companies to create profit. The general objective of the study was to determine the The effect of marketing mix on customer satisfaction in the breweries industry a case study of Dashen brewery S.C. In order to get a comprehensive data 214 customers are included in the study. The study used both primary and secondary data that were collected through a semi-structured questionnaire. Out of the 232 questionnaires that were distributed 214 questionnaires were filled and returned successfully. This represents a response rate of 93 percent. Data was analyzed using descriptive and inferential statistics. The study found that there is consistence and compatibility in the quality of the product, the price charged for the product is good, the products are not delivered on time and with the specified requested quantity, the company does not have good promotion activity, and the company remain using most of promotion tools like advertising, personal selling, sales promotion, public relation effectively. Based on these findings, the study recommends that factory must choose distributors that reach its customers most effectively; company is recommended to work more on promotions and expand their branch or distribution centers and warehouse.

Key words: Customer satisfaction, Marketing Mix, 4P ’s
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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Customer satisfaction is increasingly becoming the major concern of most organizations today. In this era, globalization has enhanced the modern business environment and customer satisfaction, and provided a fair play for marketing and business practice. Businesses are becoming more customer-oriented owing to the realization that customer retention and loyalty are fundamental aspects of business survival. Marketing concepts have placed an emphasis on the delivering of satisfaction to customers and the realization of profits through enhanced customer acquisition and retention (McCullough, Berry & Yadav, 2000).

The recent past has witnessed a paradigm shift with regard to valuation of customers by business organizations. Anderson and Mittal (2000) contend that there has been a shift from transaction marketing to relationship marketing the latter being more customer-oriented while the former was more profit oriented. As a result, establishment, retention as well as the enhancement of long-term customer relationships has become a challenge. However, Anderson and Mary (2008) argues that there exists empirical evidence associating customer retention with customer satisfaction.

Customer satisfaction has fundamental importance in business growth and competitive advantage in the increasing global economy. The simple act of appreciating the customers’ expectations does enhance customer satisfaction. Therefore, maintaining customers’ relationship is one of the key aspects of organizational growth. Equally, Anderson and Mary (2008), argue that customer satisfaction is a result of well-maintained relationships between the client and the organization.

In the breweries industry, customer retention and acquisition is so intense due to the high levels of substitute products in any given market contends that the brewery industries all in Ethiopia are also struggling to retain their customers in an increasingly competitive market. Customer satisfaction has therefore become a major preoccupation for executives and marketing managers (Conklin, Powaga & Lipovetsky, 2004). According to Conklin et al (2004), in 2010 alone 236 billion liters of alcoholic beverages were sold of which beer constituted the upwards of 78%. Consequently, this finding indicates that
breweries sector is vibrant and a major contributor to national economies in Ethiopia countries., beer products were the biggest revenue earner with estimated sales exceed 180 million beers. In the recent years, fundamental transformation within the industry has focused on enhancing the market share through customer satisfaction. As a result, EABL brewery products can now be accesses within Ethiopia.

Globalization has great implications on how the breweries industry is run. Local players who do not have established brands or customer loyalty are at a great risk of losing dissatisfied customers. Breweries within Ethiopia must ensure that customer acquisition, retention, loyalty and most definitely satisfaction are at the Centre of their business models. The current nature of the modern customers with myriads of opportunities and substitute products makes their satisfaction a fleeting venture for most brewery firms.

The Beer industry in Ethiopia has gone through tremendous growth in the last two decades. It transformed into one of the most competitive industries in Ethiopia with millions of birr spent on advertisements alone. The competitiveness of the industry has led to more investment the farming sector such as in malt production. The first brewery in Ethiopia was established in 1922 by St. George Beer (named after the patron saint of Ethiopia). Brands like Meta and Bedele are also older brands in Ethiopia but have since been acquired by foreign companies and re-branded.

Initially, Dashen Brewery S.C is a major player in the rapidly developing Ethiopian brewery market. Our vision is to be Ethiopia’s best brewing company and our purpose is to “delight consumers, enrich communities and enhance Ethiopian’s progress”. Dashen is renowned for its great taste and quality. In addition to our brewery in Gondar, built a new leading edge brewery at Debre Berhan (DBSC), the first of its kind in Africa.

Ethiopia beer industry has continued to expand and forecasts indicate that the industry will expand by an estimated value of 5%. The main alcoholic beverages company in Ethiopia is St Georg, Dashen brewery S.C, Meta abo brewery S.C Heineken beer S.C. and Habesha brewery S.C are the major one. St. Georges enjoys over 37 percent of the Ethiopian market selling in the upwards of 12,000,000 helicopters annually.

Increase in alcoholic beverage companies has led to an increase in competition, and as a result, increase in customer centric approach to marketing, in recent years, the company has faced
stiff competition from mainly local companies such as Heineken, Diageo, BGI, Dashen as well as the emerging Zebidar, Habesha and Raya are the breweries operating in Ethiopia. Dashen beer products Equally, Waliya, Habesha and Geinues as well as, Heineken have penetrated the market causing major problems for Dashen in their quest to retain customers, and remain profitable.

Competition notwithstanding, Dashen enjoys loyalty among customers specifically with the walia. To fend off competition, Dashen brewery has adopted a multiplicity of marketing strategies so to enhance customer’s satisfaction, and loyalty. Dashen marketing strategies aim at ensuring the realization of customers’ needs and expectations, prioritize customer’s choices, and establish a pool of loyal satisfied clients.

A firms advertising can have a tremendous influence on customer satisfaction. Company’s processes equally do influence customer’s satisfaction. In most organizations’ internal factors and operational procedures have a relationship with customer satisfaction. Other factors that influence customer satisfaction from are usually beyond the control of the organization. In most instances, there is nothing much brewery firms can do to control inflation. Inflation influences prize of brewery products. According to Vadlamudi (2010), higher inflation rates leads to higher prices, which leads to customer disquiet and dissatisfaction. It is necessary and critically important, for brewery firms to profile customer-specific factors that relates satisfaction. Equally, it is essential to profile those factors that do not. Companies that do manage to enhance customer’s satisfaction do cater to client’s specific needs, compared to those that do not (Gianforte, 2003).

On the other hand, external to the organization do also influence customer satisfaction in the brewery sector. These factors may relate to the competitors marketing mix, government regulation and policies as well as the prevailing economic circumstances. Some of these external factors are vulnerable to the manipulation by powers within the organizations, while others are not (Oh, 2007).

1.2 Problem Statement

The transformations in Ethiopia breweries industry has created a situation in which the survival and profitability of beer companies is dependent largely on their capacity to provide
customer satisfaction. This is true for the Dashen brewery extent to which the company has appreciated the issue of customer satisfaction is uncertain. 

Current competition within the breweries industry, especially among the various players including the local and international company like Heineken necessitates the need to examine how Dashen brewery deals with the issue of customer satisfaction. Furthermore, as Kotler, et al., (2009) contend, volatility in the brewery sector has made it difficult to ascertain individual, internal and competitive factors that influence customer satisfaction.

It is necessary to assess whether the breweries industry in Ethiopia has achieved this aspects of customer satisfaction and if this is not the case to establish some of the strategies the Dashen can implement in addressing customer’s expectations and satisfactions. Furthermore, it is crucial to examine the company-specific factors or internal factors as well as the competitive factors that influence customer satisfaction.

Competition in the breweries industry mostly treated customer satisfaction as inherent contributor to a firm’s competitive advantage rather than a stand alone factor. It is therefore imperative to fill this knowledge gap by examining the various factors that affect customer’s satisfaction the breweries industry in Ethiopia. Furthermore, it is crucial to identify some of the strategies that the Dashen brewery can employ to enhance customer satisfaction in a highly competitive environment. This study seeks to bridge the knowledge gap by examining factors that influence customer satisfaction in the breweries sector with keen bias on individual factors, organizational factors, and competitive factors.

1.3 Research questions

On the basis of the above stated facts, the research addresses the following research questions.

- At what level does the customers are satisfied by the product feature, price of the product, the distribution way and promotion of the company?
- What types of relationship exist between marketing mix element and customer satisfaction?
1.5 Research Objectives

1.5.1 General objectives
The general objective of this research is to examine the effect of marketing mix on customer satisfaction in the breweries industry: a case study of Dashen breweries S.C

1.5.2 Specific Objectives
- To evaluate the effect of product on customer satisfaction
- To examine the influence of price on customer satisfaction
- To investigate the effect of distribution on customer satisfaction
- To assess the significance of promotion on customer satisfaction
- To understand the relationship between marketing mix and customer satisfaction

1.6. Significance of the study
The study will be of crucial importance to various stakeholders in the Ethiopia breweries industry. Some of the groups that stand to benefit from the study include Dashen brewery S.C, the shareholders in the breweries industry as well as academicians and future researchers. Theoretically, the study fills an important gap in the literature that is, exploring beer drinker selection criteria for potential customers in Addis Ababa. Therefore, the findings of the study can add to the existing body of the literature and can serve as a starting point on which future studies can be built. This study also produces an assist to the policy makers, researchers and those who have concern for developing the varied aspects of brewery sector.

1.7. Scope of the Study
The study is mainly concerned on the effect of marketing mix on customer satisfaction of Dashen breweries S.C. It is concerned in areas of marketing strategy and categorize in to four main strategies such as pricing strategy, product strategy, promotional strategy and distribution strategy, and hence, it does not include other areas of marketing strategies even though they have power in influencing customer satisfaction. The research is focused on Dashen breweries S.C customers in Addis Ababa town. It means only those who have strong relation with the factory are considered as a target for this research. Hence, the study is confined to Dashen breweries S.C which is geographically limited at Addis Ababa City.
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.

1.9 Limitation of the Study

The limitation of this study is that there are a number of factors which affect customer satisfaction of the organization, but this study focuses on selected dimension of marketing mix dimensions because of logistics simplicity and resource constraints. The study is also better if it includes other breweries company but because of time constraints it is limited only in one organization Dashen Breweries S.C.
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 factors affecting customer satisfaction in the Breweries Industry. Literature was reviewed in line with the stated study objectives. The review was relay greatly on data obtained from published reference materials such as books and journals.

2.1. Marketing

Marketing is the process by which companies create value for customers and build strong customer relationship in order to capture value from customers in return (Kotler and Armstrong, 2005).

According to Chartered Institute of Marketing, Marketing is the management process for identifying, anticipating and satisfying customer requirements profitably. A slightly longer but conceptually similar definition of Marketing was proposed by the American Marketing Association (AMA) in Marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives.

Marketing is a management process whereby the resources of the whole organization are utilized to satisfy the needs of selected customer groups in order to achieve the objectives of both parties. According to Drucker (1973), who put forward a definition of marketing orientation, marketing is so basic that it cannot be considered a separate function on a par with others such as manufacturing or personnel. It is first a central dimension of the entire business. It is the whole business seen from the point of view of its final result, that is, from the customer's point of view.

A significant shift in emphasis since Drucker wrote this is to be found in the importance that is now attached to competitive position in a changing world. Thus, the marketing concept is that managerial orientation which recognizes that success primarily depends upon identifying changing customer wants and developing products and services which match these better than those of competitors. It is concerned with the idea of satisfying a consumer's requirements by means of the product as well as by providing the customer with value satisfaction. A marketing oriented firm
tries to create value-satisfying products and services, which the consumer will desire to purchase. By which the profitability of the organization’s activities is insured. Marketing is thus a view of the entire business, with profitability and consumer satisfaction (Davar, 1996).

Marketing is a process of planning and executing the conception, pricing, promotion and place/distribution of ideas, goods and services to create exchange that satisfy individual and organizational objectives (Anderson and Vincze, 2000). The primary objective of a business is to create customer satisfaction with profit as a reward rather than an objective. In other words, when the customer is satisfied, every stakeholders of the company will benefit, based on the above explanation, we can understand that the goal of marketing is to attract new customers by promising superior value and keep the existing customers by delivering satisfaction which ultimately will bring profit for the company.

2.2. Marketing Mix

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

According to Cravens (2000), Product can be defined as everything that potentially has value to the target market that can give benefits and satisfaction that include products and services. Price is the amount of money that is imposed on a product or service, or the value of the exchange by the consumer with the benefits due to the ownership or usage of the product or service or simply the amount of money a buyer must pay to obtain the right to use or own the product (Hawkins, 2010).

According to Hawkins (2010) Place is a channels used to get the products to the target customers inside and outside the company, where target customers usually makes the purchase. Promotion according to Hawkins (2010) is basically the signal or information that the firm provides about itself and its products to different parties or target customer, in order for customer to be loyal first
the product needs to grab the potential customer's attention. The original 4p's are discussed as follows:-

2.2.1. Product

The first element in the marketing mix is the product of the company. A product is defined as: “a set of tangible and intangible attributes, including packaging, colour, price, quality and brand plus the reputation of the seller”. Since one of the basic function of marketing is that developing products and services that will meet legitimate customer (consumer) needs. Then, consumers are buying more than a set of tangible attributes. A product is anything that can be offered to market for attention, acquisition, use or consumption and that might satisfy a want or need (Kotler and Armstrong, 1996).

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

- The core product: represents the central meaning of the product and conveys its essence. This is centrally related to the key benefits expected by customers.
- The tangible product: is related to the core product to the extent that it places flesh on the bones of the former.
- The augmented product: includes those add-on extras which are not an intrinsic part of the product but which may be used to enhance the product benefits.
- The potential product: constitutes a vision of what it could be in the future, while the first three layers describe how the product is now.

2.2.1.1. Product Mix

Kotler and Armstrong stated that, product mix is the set of all product lines and items that a particular seller offers for sale (Kotler and Armstrong, 2005).

Determining product mix is top management's decision because the more varied product lines are the greater the need to coordinate. Instead of launching single product, preparing different product lines for market are essential to reduce risk to satisfy and broaden the buying habit of customers.
Product mix is the assortment of products and product lines available from a manufacture (Keegan, et al, 1992). It is also necessary to determine about the branding, packaging and labelling of a product parallel with product mix decisions when companies offer their products to market.

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

Product attributes Decisions about attributes are particularly important as they greatly affect consumer reactions to a product. Tangible product attributes, such as quality, features and design. Product quality; stands for the ability of a product to perform its functions, it includes the product's overall durability, reliability, precision, ease of operation and repair, and other valued attributes. From a marketing point of view, quality should be measured in terms of buyers' perceptions.

Product feature: Features are a competitive tool for differentiating the company's product from competitors' products by adding higher-level models or features which add value for customer.

Product design and style contributes to a product's usefulness as well as to its looks. And also creates products that are easy, safe, inexpensive to use and service, and simple and economical to produce and distribute.

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

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

Labelling the label describe who made it, where and when was it made, the contents, how it is to be used etc. and its most straight-forward function is to identify the product or the brand.
2.2.2. Price

Price is the amount of money charged for a product or service, or the sum of the values that consumers exchange for the benefit of having or using the product or service (Kotler and Armstrong, 2005).

Price is the only element in the marketing mix that produces revenue; all other elements represent costs; price is also one of the most flexible elements of marketing mix. Unlike product feature and channel commitments, price can be changed quickly and it has to be taking in to account customers value and the rest of marketing mix activities. (kotler and Armstrong, 2005).

Pricing products or services is one of the most important and complex decision a firm has to make. If buyers perceive a price to be too high, they may purchase competitive brands or substitute products, leading to a loss of sales and profits for the firm. If the price is too low, sales might increase, but profitability may suffer. Thus pricing decision must be given careful consideration (Peter Donnelly, 1997).

2.2.2.1 Price Setting

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

Cost – Based Pricing

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

Demand –Based pricing

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

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

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

2.2.3. Place/Distribution

It can be described as a set of interdependent organizations involved in the process of making a product or service available for consumption (Anderson and Vince, 2004:7). As Engle, (2009, pp.: 189) states that the marketer must choose distributors that reach its customers most effectively and other intermediaries that add value to the distributive process. To support the above-concepts, it is the fact that the objectives of distribution channel is to make the products effectively available to the greatest possible number of users at the lowest possible distribution and selling cost. The field of distribution is made up of two distinct branches: channel of distribution and physical distribution that are discussed as follows.

2.2.3.1 Channel Distribution

A channel distribution means a coordinated group of individuals or firms that direct the flow of products to customersl (Keegan, et al, 1992). It is a set of interdependent organizations involved in the process of making a product or service available for use or consumption by the consumer or business user (Kottler and Armstrong, 2005). Channel members buy large quantities from many
producers and break them down into the smaller quantities wanted by consumers. Marketing channel limits the number of contacts producers have to make, in order to move products from their plant into the market place to satisfy customer need, and it enables customers to limit the number of contacts necessary to obtain the goods and services they need. But, channels must be evaluated and carefully considered (Keegan, et al, 1992).

Anderson and Vincze, states that the distribution decision must interact with product, promotion, and pricing decision in order to achieve organization objectives (Anderson/Vincze, 2000, 283).

No matter how good the product, how effective the promotion, and how appropriate the price; a firm cannot succeed unless it can get its product into the hands of its target market. Channel managers must understand the functions performed within the channel in order to design the correct channel and coordinate channel operations.

2.2.3.2. Physical Distribution

Physical distribution is the storage, handling and movement of goods to make them available when and where customers want them (Keegan, Moriarty and Duncan, 1992).

Keegan, Moriarty, and Duncan, classified the physical distribution activities as follows:

Order Processing: is the receipt and transmission of sales order information. The more efficiently orders are processed; the less time is required for delivery and the greater the satisfaction for customers.

- Warehousing: is the storage of goods while they are waiting to be sold or shipped.
- A customer must decide on how many and what type of warehouses it needs and where they will be located.
- Markets must balance the faster-service advantage of numerous warehouse locations with the increased warehousing costs of multiple locations.
- Inventory management: is the control of inventory levels, managers must maintain the delicate balance between carrying too little inventory and carrying too much. With too little stock the firm risks not having products when customers want to buy. This leads the firm to costly emergency shipment or production. Carrying as too much inventory results in higher than necessary inventory carrying costs and stock obsolescence. Thus in managing
inventory firms must balance the costs of carrying larger inventories against resulting sales and profit (Kotler, Armstrong, 2005).

- Transportation: The physical means by which goods are transferred from manufacturer to wholesaler and from wholesaler to retailer and from retailer to customers; it also incorporates shipping goods to warehouse.

Truck, rail, water, pipeline and air are five main transportation modes. No physical distribution system can both maximize customer service and minimize distribution costs. Instead, the goal of physical distribution system is to provide a targeted level of service at the cost. (Kotler and Armstrong, 2009). Managers have to choose cost effective and fastest mode of transportation and also calculate the shortest distance to reduce costs of transportation. Managers have to decide up on the promotional elements to reach target consumers after they develop products, determine its prices and distribution channel.

2.2.4. Promotion

Promotion is any form of communication used to inform, persuade, and/or remind people about an organization’s or individual goods, services, image, ideas, community involvement or impact on society (R. Evans and Berman, 1997). It is mainly all embracing term to describe an import part of the marketing mix. (Wilmhurst, 1995)

It refers to all activities and programs that add value to the brand—an incentive to buy beyond the products inherent benefits (Keegan, et al, 1992). Sales promotion should help to reinforce the product’s position and to build long-term customer relationships.

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

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

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

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

Sales promotion: Those marketing activities that add to the basic value of the product for a limited time period and thus directly stimulate consumer purchasing and dealer effectiveness. These activities include displays, shows and exhibitions, demonstrations, and various nonrecurring selling efforts not in the ordinary routine.

2.3 Customer Satisfaction
As indicated by Lovelock (2004) many researchers conceptualize customer satisfaction as “an individual’s feeling of pleasure (or disappointment) resulting from comparing the perceived performance or outcome in relation to the expectation.”

The concept of customer satisfaction has drawn the attention of practitioners and academics from last several years based on the fact that customers are the primary source of profit for most of the firms operating in the market (Tam, 2004). Customer satisfaction facilitates the measure of how service and products provided by company meet customer expectation. It is a key performance indicator in business terms. Typically, service firms monitor and examine the satisfaction level of customers on an on-going base by using different scales like Likert, to measure the level of customer satisfaction which is mainly based on service encounter experienced on their last visit (Peterson and Wilson, 1992). Quality and customer satisfaction both have long been recognized as crucial role for success and survival in today’s competitive market.

Customer satisfaction with a purchase depends upon the product's performance relative to a buyer's expectations a customer might experience various degrees of satisfaction. If the product's performance falls short of expectations, the customer is dissatisfied. If performance matches expectations, the customer is satisfied. If performance exceeds expectations, the customer is highly satisfied or delighted (Kotler, P. et.al 1999).
In addition to this, they elaborated that expectations are based on the customer's past buying experiences, the opinions of friends and associates, and marketer and competitor information and promises. Regarding to consumer satisfaction three general components can be identified: Consumer satisfaction is a response (emotional or cognitive) 2. The response pertains to a particular focus (expectations, product, consumption experience, etc.) and 3. The response occurs at a particular time (after consumption, after choice, based on accumulated experience, etc.) (Joan L. & Joseph A. 2002)

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

Consecutively, through satisfying customers, organizations could improve profitability by expanding their business and gaining a higher market share as well as repeat and referral business (Elliott, K & Shin, D. 2001).

Good customer satisfaction has an effect on the profitability of nearly every business. For example, when customers receive good service, each will typically tell nine to ten people. However, customers who receive poor service will typically relate their dissatisfaction to between fifteen and twenty others (Naik:2010). Anderson and Zemke; 1998) stated that “Satisfied customers improve business and dissatisfied customers impair business”. Therefore, customer satisfaction is an asset that should be monitored and managed just like any physical asset.

2.3.1. Factors that Affect Customer Satisfaction

Matzler et al., (2002) classify factors that affect customer satisfaction in to three factor structures:-

1. **Basic factors**: - these are the minimum requirements that are required in a product to prevent the customer from being dissatisfied. They do not necessarily cause satisfaction but lead to dissatisfaction if absent. These are those factors that lead to the fulfillment of the basic requirement
for which the product is produced. These constitute the basic attributes of the product or service. They thus have a low impact on satisfaction even though they are a prerequisite for satisfaction. In a nutshell competence and accessibility

2. **Performance factors:** - these are the factors that lead to satisfaction if fulfilled and can lead to dissatisfaction if not fulfilled. These include reliability and friendliness.

3. **Excitement factors:** - these are factors that increase customers’ satisfaction if fulfilled but does not cause dissatisfaction if not fulfilled which include project management.

### 2.3.2 Reasons of Customer Dissatisfaction

Sometimes customers become dissatisfied, as indicated on www.qualitygurus.com some of the reasons for this dissatisfaction are:-

- **Not knowing the Expectations** Customer remains dissatisfied unless the company knows what the customer actually expects out of their product.

- **Not Meeting the Expectations** a customer may become dissatisfied because the service does not live up to expectations. In addition to that as a result of the rapid improvement in the technology, customer may compare the services provided by a company with those of the competitors, which may lead to dissatisfaction and customers over expectations and their changing needs may lead them for dissatisfaction.

### 2.4 Empirical Review of Literature

Empirically many research papers are computed and different outcomes are demonstrated by different researchers. The following are some of illustrations which support such a statement.

Zelalem, A. (2011) studied Assessment of Marketing Mix in Prompting Customer Satisfaction (A case study on the National Alcohol and Liquors Factory). In the research the total sample of 80 whole sellers and retailers selected using purposive sampling and out of the total sample 76 customers returned a completely filled questionaries’ therefore the analysis and conclusion was done using 76 customers.

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

Mohamed, I. & Ahmed, R. (2016) impact of marketing mix on customer satisfaction towards laptop
industry. In the research 100 undergraduates from South Eastern University of Sri Lanka was taken
as sample for the study. And the research conclude that, the correlation result shows product, price,
place, and promotion have relationship with satisfaction with values are 0.490, 0.466, 0.643 and
0.588 respectively. Results of the regression exposed that values of R square and adjusted R square
are 0.539 and 0.520 respectively. This proves that marketing mix such as product; price, place and
promotion explain 50% of the variation on customer satisfaction.

2.5. Hypotheses

Independent Variables: the four marketing mixes; Price, product, promotion and place.

Dependent variable: Satisfaction level with Dashen and consumption. It is taken as a proxy to
represent customer’s choice of brewery as a dependent variable.

The following hypotheses were tested:

1. Null hypothesis; There is no significant relationship between beer products and Satisfaction
level with beer consumptions..

Alternative hypothesis: There is a significant relationship between the product and Satisfaction level
with beer consumptions.

2. Null hypothesis: There is no significant relationship between price of beer and Satisfaction
level with beer consumptions.

Alternative hypothesis: There is a significant relationship between price of beer and Satisfaction level
with beer consumptions.

3. Null hypothesis: There is no significant relationship between promotional activities and satisfaction
level with beer consumptions

Alternative hypothesis: There is a significant relationship between promotion and Satisfaction level
with beer consumptions.

4. Null hypothesis: There is no significant relationship between place of the product and Satisfaction
level with beer consumptions.
Alternative hypothesis: There is a significant relationship between place of the product and satisfaction level with beer consumptions

2.5 Conceptual Framework

Jabareen (2009) explain Conceptual framework as a network or a plane of interlinked concepts that together provide a comprehensive understanding of a phenomenon or phenomena. Conceptual framework provides the link between the research title, the objectives, the study methodology and the literature review. The major variables of this study were market mix elements (independent variable) and customer satisfaction (dependent variable). Thus, the research includes all major marketing mix elements in terms of product, price, place and promotion. As a result, a conceptual framework was developed to illustrate the key variables and their relationship with customer satisfaction.

![Conceptual Framework Diagram]

<table>
<thead>
<tr>
<th>Independent variable</th>
<th>Dependent variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product</td>
<td>Customer-satisfaction</td>
</tr>
<tr>
<td>Price</td>
<td></td>
</tr>
<tr>
<td>Place/distribution</td>
<td></td>
</tr>
<tr>
<td>Promotion</td>
<td></td>
</tr>
</tbody>
</table>

Fig 1: Conceptual framework Source: Researcher own construct based on the literature review (2019)
CHAPTER THREE

RESEARCH METHODOLOGY

3. Introduction

This chapter discusses the research method, design that the researcher used in this study. It also presents the population and sampling design, data collection methods, research procedures and data analysis methods that the researcher employed in this particular study.

3.1. Background of the Organization

Dashen Brewery S.C as one of the largest Ethiopian brewery companies. It is co-owned by Tiret Corporate and Duet Vasari beverages African limited. The Company first entered to Ethiopian market after planting its first plant at a historical city of Gondar, 738 kilometers from Addis Ababa, at a place called Aba Samuel. Its first factory was built at a total cost of 325,000,000.12 birr. The total cost of the construction was obtained from Endowment Fund and Ethiopian Development Bank. The plant which was laid at 8.5 hectare of land was built with an annual production capacity of 300,000 hl. But by the time this production capacity of the factory could not match with the demand of beer. Subsequently, plans to carry out this expansion of the factory as soon as possible and went into action. Accordingly, the production capacity has increased. As of now the plant in Gondar has reached to 950,000 hectoliters a year. Dashen has released its first product in June 2000. Its product was largely limited in Northern part of Ethiopia such as Amhara and Tigray regional states. So to fill this gap, the company has begun to work on how to expand its production. The company has decided to expand its production in order to meet the demand. The company has then decided to search for a partner to work with. The effort has finally brought Dashen to work with Duet Vasari beverages African limited. The two signed a partnership agreement in May 2012. The agreement resulted in the creation of a second plant, in Debr Berhan, North Shoa. 15 years after the opening of the plant in Gondar, the share company launched its second plant at a total investment of 3,000,000,000 birr. The plant which has 3,000,000 hectoliters annual production capacity was officially inaugurated by Prime Minister Hailemariam Desalegne. The factory was considering as a milestone for its role of creating a back and forth linkage between the
agriculture and industry, at the region. Dashen brewery currently has a total capital of 5,000,000,000 birr and will work to raise its capital. As a result, this will benefit different part of the society. In terms of job creation, the company has currently 549 permanents and 219 casual employee in Gondor plant and 267 permanents and 345 casual employee in Debre Birhan plant and Addis Ababa. The figure doesn’t include those involved in beer distribution, loading and off-loading. The factory, for the past 17 years has only one brand of beer. However, after looking into the market, before two years it introduced a new brand called- Balageru beer to the market.

3.2. Research Approach

Generally, there are two types of approach these are deductive and inductive approach. The inductive approach typically moves from specific observation to broader generalization and theories. The researcher may begin with specific observation and measure, to detect patterns and regularities, and then formulate some tentative hypnosis’s that they can explore. They might end up by developing some general conclusion or theories. The study of a small sample size of subjects might be approach (Saunders et.al.2009).

In contrast, deductive approach commonly works from the more general to the more specific. Researches might begin by examining theories related to their topic of interest. They then narrow those theories down to more specific research question or hypothesis through a number of research methods, mainly in quantitative ways in order to be able to generalize the finding (Saunders et.al.2009).

These two approaches are different way to conduct research. In short the difference between two approaches is that one is building the theory (inductive) while the other one is testing the theory (deductive). The selection of approach depends on the extent to which existing knowledge and theory are available related to the topic of interest.

The research problem was formulated based on existing theory, and the intention is to create more knowledge about specific factor. For thesis reason, a deductive approach was adopting in this thesis.
3.3. Research Method

Research method can be either qualitative or quantitative so one has to decide which method should be implemented before starting any research. Qualitative method does not contain numeric characteristics, it is an interpretation and rational. In this process oriented research method, the analysis of the data mostly depends upon the skills and knowledge of the researcher (Ghauri and Gronhaug 2010, 103-105.). According to Philip Kotler et.al. (2008) qualitative research is based on gathering qualitative data or information and understanding them on the basis of attitudes, feelings and motivations of the product users (Kotler et al, 2008, 335). On the other hand, according to Malhotra (2005, 43) quantitative research is based on numerical character and is aimed at qualifying the data through statistical analysis. In this research method, the data is to present normally in diagrams and graphs (Malhotra, 2005, 43). For this customer satisfaction survey, quantitative research methodology was using questionnaires randomly.

3.4 Research Design

Research design specifies the methods and procedures for collecting and analysing the needed information. It indicates a framework or blueprint for the research as well as the research methods chosen to determine the information needed. It defines the sampling method, sample size, measurement and data analysis processes (Cooper & Schindler, 1998).

Cooper, et al. (2003) discussed that explanatory studies unlike descriptive studies, go beyond observing and describing the condition and tries to explain the reasons of the phenomenon. Thus, explanatory research design will be used in this research because the study will undertakes to examine the effect of marketing mix on customer satisfaction in the breweries industry, which is appropriate for the objective of the study.

3.5. Population and Sampling Design

3.5.1 Population

A population is defined as the set of individuals, objects, or data from where a statistical sample can be drawn (Saunders et al., 2014). Population is the entire group of individuals, events or objects having a common observable characteristic (Copper & Schindler, 2014). Cooper and Schindler further add that a population is the total sum of collected units from which the researcher draws conclusions of the study.
Yamane (1967:886) provides a simplified formula to calculate sample sizes. In addition to this, the sampling technique should be used with the population of interest is not homogenous. The total population of this research was sum of target customers of Dashen brewery S.C in Addis Ababa. For the reason that, the study was focus on target customers, wholesalers and retailer of Dashen brewery S.C. since consumers of beer and the study was conduct in Addis Ababa Table 3.1 shows population distribution employed in the study.

Table 3.1: Population Distribution

<table>
<thead>
<tr>
<th>Type of Population</th>
<th>Population Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesalers</td>
<td>10</td>
</tr>
<tr>
<td>Retailers</td>
<td>500</td>
</tr>
</tbody>
</table>

3.5.2 Sampling Design

3.5.2.1 Sampling Frame

One way to think of it is to consider sampling from a finite population, and increasing the size of the population: suppose that the population size NN tends to infinity. Sampling from an infinite population is handled by regarding the population as represented by a distribution. A random sample from an infinite population is therefore considered as a random sample from a distribution.

The sampling frame for this study comprised of retailers, wholesalers within Addis Ababa that purchase Dashen beer. The list of the retailers and wholesalers was obtained from Dashen brewery S.C marketing department.

3.5.2.2 Sampling Technique

The study adopted random sampling from different category of the group.
3.5.2.3 Sample Size

Yamane (1967:886) provides a simplified formula to calculate sample sizes. In addition to this, the sampling technique should be used with the population of interest is not homogenous. Therefore, the researcher used the following formula to calculate the sample size

\[ n = \frac{N}{1+N(e)^2} \]

\[ n = \frac{500}{1+500(0.05)^2} \]

\[ n = \frac{500}{1+500*0.0025} \]

\[ n = \frac{500}{13.75} \]

\[ n = 222 \]

Table 3.2: Sample Size Distribution

<table>
<thead>
<tr>
<th>Type of Population</th>
<th>Population (P)</th>
<th>Sample Size (n)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesaler</td>
<td>10</td>
<td>10 (all)</td>
</tr>
<tr>
<td>Retailers</td>
<td>500</td>
<td>222</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>232</td>
</tr>
</tbody>
</table>

3.6 Data Collection Methods

The procedure for the data collection was first the respondents are communicated to get their consent. Once their consent was known, the questionnaires were distributed by the researcher to each participant by appreciating their participation and devoting their precious time for the research. The researcher gave the respondents the option of filling the questionnaires at their convenient time and collected after two days for analysis. The questionnaires were collected by checking the completeness of the data.

3.7 Research Procedures

Research procedures refer to a detailed description of the steps taken by the researcher to conduct the study. For this study, the draft questionnaire was developed first. A pilot test was conducted using 20 questionnaires to collect preliminary data to enable the testing of validity and reliability.
During the pilot study, the researcher randomly distributed the research questionnaires to 20 respondents in the pilot study. The results of the pilot study were used to enhance the effectiveness of the data collection instrument and to define the procedure to be applied in the actual study. The data was collected within a period not exceeding two weeks.

**3.8 Data Analysis Methods**

Before analysis, data collected from questionnaires obtained from respondents was reviewed carefully and checked for completeness and consistencies. Exploratory statistics were analysed using frequency tables, percentages and mean. The results were presented using tables and figures. Regression was used to determine the level of significance in relationship between customer satisfaction and the marketing mix. Pearson correlation was also used to establish the existence, nature and strength of the research variables and customer satisfaction. The data analysis was carried out by using the SPSS as a tool.

**3.9 Validity and Reliability**

There are two major criteria which applied to evaluate the quality of the study. These are validity and reliability. Validity can be assessed using theoretical or empirical approaches. Theoretical assessment of validity focuses on how well the idea of a theoretical construct is translated into or represented in an operational measure (Anol, 2012). In this regard the validity of the current study was addressed through the review of related literatures and adapting instruments used in previous research. Reliability refers to the absence of random error, enabling subsequent researchers to arrive at the same insights if they conducted the study along the same steps again (Yin, 2003). To increase the reliability of the survey, five-scale system (Likert scale) questionnaires had been used. The reliability in such scale is higher compared to a two-scale system. Five is an effective choice since the reliability decreases if the number of response options is greater than five (Hayes, 1992).

**3.9.1 Reliability test**

Reliability is the quality of a measurement procedure to provide repeatability and accuracy. A construct is said to be reliable if it brings the same result when we use it multiple times (Bhattacharjee 2012).
Table 3.9.1. Cronbach’s Alpha (Reliability analysis)

<table>
<thead>
<tr>
<th>No</th>
<th>Dimensions</th>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Product</td>
<td>0.6</td>
<td>5</td>
</tr>
<tr>
<td>2</td>
<td>Price</td>
<td>0.8</td>
<td>6</td>
</tr>
<tr>
<td>3</td>
<td>Place</td>
<td>0.7</td>
<td>6</td>
</tr>
<tr>
<td>4</td>
<td>Promotion</td>
<td>0.8</td>
<td>6</td>
</tr>
<tr>
<td>5</td>
<td>Customer satisfaction</td>
<td>0.7</td>
<td>5</td>
</tr>
<tr>
<td>6</td>
<td>Total</td>
<td><strong>0.7</strong></td>
<td><strong>28</strong></td>
</tr>
</tbody>
</table>

Because the study used a multiple-item construct measure to the respondents, the extent to which respondents rate these items in a similar manner (internal consistency) was computed including all items. For reliability test, Cronbach’s alpha is used. Cronbach’s alpha is a coefficient of reliability used to measure the internal consistency of a test or scale. As the number approach to 1 the more is its internal consistency of the items to measure service quality, implies that all items measures the same variable. For internal reliability (consistency of the research instrument), reliability test for all service quality dimensions was done. Therefore, the overall reliability of the scale was found to be 0.768 (table 3.9.1) which indicates the acceptability of the items.

3.10 Ethical Considerations

The data was collected from those of willingness sample respondents without any unethical behaviour or forcefully action. The respondents were also above the age of 18 since the study is engages alcoholic beverage reflection. The results or a report of the study is used for academic purpose only and response of the participants is confidential and analysed in aggregate without any change by the researcher. In addition, the researcher respects the work of previous investigations or study and cited appropriately those works that has been taken as a basis.
CHAPTER FOUR
Data Representation, Analysis and Interpretation

4. Introduction

This section of the research illustrates the data analysis and presentation with two major constituents of the data collected that is the demographic characteristics of the respondents and their response towards the four marketing-mix elements with respect to their satisfaction. Information presented in this chapter is obtained through both primary and secondary sources of data. For the primary data questionnaires were distributed to wholesaler and retailers.

4.1 Rates of Response

A total of 232 questionnaires were distributed to target respondent, for each of the 10 wholesaler and 222 retailers. Out of the total 232 questionnaires, 214 useable questionnaires were obtained (93%) response rate.

4.2. General Information About the Respondents

The study participants on survey questionnaire have different personal information; besides these differences they introduce different responses towards company’s product, and its effect on customer’s satisfaction. This part of the questionnaire requested a limited amount of information related to personal characteristics of respondents. Accordingly, the following variables about the respondents were summarized and described in the subsequent tables. These variables includes: gender, educational level, category of the respondents and experience in the breweries sector.

Figure 4.2.1, Classification of Gender

68% of respondents were male and 32% of respondents were female. This result shows the involvements of males are more dominant than the females.
Table 4.2.1, Background of the respondent

<table>
<thead>
<tr>
<th>Product Dimension</th>
<th>Measurement scale</th>
<th>N=74</th>
<th>100 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational Level</td>
<td>Diploma</td>
<td>177</td>
<td>82.7</td>
</tr>
<tr>
<td></td>
<td>BA/BSC</td>
<td>25</td>
<td>11.7</td>
</tr>
<tr>
<td></td>
<td>MA/MSC</td>
<td>12</td>
<td>5.6</td>
</tr>
<tr>
<td></td>
<td>PHD</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Category of the respondents</td>
<td>Wholesaler</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Retailor</td>
<td>204</td>
<td>95</td>
</tr>
<tr>
<td>Respondents Experience</td>
<td>Less than a year</td>
<td>11</td>
<td>5.1</td>
</tr>
<tr>
<td></td>
<td>1 - 5 years</td>
<td>18</td>
<td>8.4</td>
</tr>
<tr>
<td></td>
<td>6 – 10 years</td>
<td>81</td>
<td>37.9</td>
</tr>
<tr>
<td></td>
<td>11 – 15 years</td>
<td>70</td>
<td>32.7</td>
</tr>
<tr>
<td></td>
<td>Over 16 years</td>
<td>34</td>
<td>15.9</td>
</tr>
</tbody>
</table>

According to the above table, 83% of the respondents were Diploma holder, 12% of the respondents were Bachelor Degree holders while the rest 5% of the respondents were graduate of Masters. This implies that the academic level of the employee could help the Dashen breweries sector to make use of the available opportunities.

Category of the respondents indicated that a total of 10 (5%) from wholesaler and 204 (95%) from retailer were the respondents.

The data concerning the length of service of the respondents indicates that 5%, 8%, 40%, 32% and 16% have served for below 1 year, 1-5 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.

4.3 Descriptive Statistics

Marketing mix is one of the major concepts in modern marketing, it is defined as the set of controllable, tactical marketing tools that the firm blends to produce the response it wants in the target
market. It consist everything the firm can do to influence the demand for its product. The main possibilities can be grouped into four variables known as the "four Ps": Product, price, place, and promotion.

The data collected are tabulated in which it shows the frequency/percentage of respondents and the mean and standard deviation from the total 214 respondents. The measurement instrument used to calculate product, price, promotion, place and customer satisfaction are scaled from 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4=Agree and 5= strongly Agree.

4.3.1 Customer Perception related to product dimension

A product is anything that can be offered to market for attention, acquisition, use or consumption and that might satisfy a want or need (Kotler and Armstrong, 1996). The respondents were asked five questions to measure the level of the company product dimension. The questionnaires were designed to collect the respondents’ attitude towards how the company products fulfilled their demand & preference.
Table 4.3.1 Customer Perception related to product dimension

<table>
<thead>
<tr>
<th>S.</th>
<th>Product dimension</th>
<th>SD</th>
<th>D</th>
<th>N</th>
<th>A</th>
<th>SA</th>
<th>MS</th>
<th>SD V</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The quality of Dashen breweries company products keeps their own standards.</td>
<td>14</td>
<td>22</td>
<td>20</td>
<td>65</td>
<td>93</td>
<td>3.9</td>
<td>1.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100</td>
<td>6</td>
<td>10</td>
<td>9</td>
<td>31</td>
<td>43</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>The packages of Dashen breweries company products are very attractive.</td>
<td>18</td>
<td>26</td>
<td>29</td>
<td>65</td>
<td>76</td>
<td>3.7</td>
<td>1.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100</td>
<td>8.4</td>
<td>12</td>
<td>13</td>
<td>30</td>
<td>35</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>there is consistence and compatibility in the quality of the product</td>
<td>16</td>
<td>18</td>
<td>23</td>
<td>49</td>
<td>108</td>
<td>4.0</td>
<td>1.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100</td>
<td>7</td>
<td>8</td>
<td>10</td>
<td>23</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>The company product is better than other available brands</td>
<td>11</td>
<td>13</td>
<td>15</td>
<td>43</td>
<td>132</td>
<td>4.2</td>
<td>1.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>20</td>
<td>61</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>the overall quality of the product is good</td>
<td>-</td>
<td>20</td>
<td>19</td>
<td>59</td>
<td>27</td>
<td>4.2</td>
<td>0.9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100</td>
<td>-</td>
<td>9</td>
<td>9</td>
<td>11</td>
<td>54</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Valid N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>4.0</td>
<td>0.9</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4.3.1 regarding the first question which was: The quality of Dashen breweries company products keeps their own standards, about 43% and 31% of the respondent strongly agree and agree respectively and the remaining 9% customers are stay neutral about the product. Overall the respondent customers had a good intension regarding to the standards of the product.

Regarding the packages of product, the majority of respondents (65%) replied that the packages of Dashen breweries company products are very attractive. About 8% and 12% replied strongly disagree and disagree respectively.
Based on the survey of regarding the overall quality of the product the respondent customer answered that: 11% and 54% of the respondent customers agree and strongly agree about the overall quality of the product and about 9% of the respondent customer was disagree about the overall quality question. Therefore, the survey showed that majority of the customers admit the goodness overall quality of Dashen breweries.

4.3.2 Price dimension

The basic principle in pricing is that the relationship between the price of a product and the value it gives to customers has to be fair and proper. Also, the pricing decision of a factory must be coordinated with product design, distribution and promotion decisions to form a consistent and effective marketing program.
According to item number 1, customers were inquired to suggest if the price charged for the factory product is reasonable. As can be seen from the above table, about 76% of the respondents answered positively. But 15% of them said the charge is unreasonable (expensive).
From the response given above, we can infer that many customers are satisfied with regard to the price charged for the products. In order for the firm to attract large number of potential customers and in order for it to increase the consumption rates by the existing customers and to attain large market share the firm has to maintain the price charged for its products by maintaining the quality of the products.

The third question stated that: The Company has convenient and well suited payments method and the customers respond that, 70% agree on the idea the company has convenient and well suited payments method, in the contrary 12% and 9% of the respondent’s customers strongly disagree and disagree respectively about the convenient and well suited payments method. Generally, most of the customers decide that Dashen breweries had compatible payment method for the customers.

Based on the survey of the fourth question, providing different discount method to attract new customers and to retain the existing one the customer answered that: 70% of the respondent customers agree about different discount method to attract new customers and to retain the existing one. In the other side 14% of the respondent customer was disagree and about 9% of the respondents were neutral about the case. Therefore, the survey showed that most of the customers accept the discount method of the company.

The respondents were asked “There is very low price fluctuation on products?” About 36% and 38% of the respondents selected agree and strongly agree respectively. They responded having a scored mean value of 3.9 this shows that the respondents were “agreed” that there is very low price fluctuation on products.

4.3.3 Place/Distribution dimension

It is a coordinated group of individuals or firms that direct the flow of products to customers (Keegan, et al, 1992). A suitable location/ point for the establishment of branch are very important. It should give conveniences and comfort to the customers. In assessing customer perception related to distribution dimension, various related issues were presented for the reflection of the respondents. Table 4.3.3 below illustrates the reflection of the respondents regarding distribution dimension.
Table 4.3.3 Customer Perception related to place dimension

<table>
<thead>
<tr>
<th>S.</th>
<th>Place dimension</th>
<th>SD</th>
<th>D</th>
<th>N</th>
<th>A</th>
<th>SA</th>
<th>MS</th>
<th>SD V</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The distribution systems of the Dashen breweries products are satisfactory.</td>
<td>N=214</td>
<td>94</td>
<td>66</td>
<td>24</td>
<td>18</td>
<td>12</td>
<td>2.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100</td>
<td>43</td>
<td>30</td>
<td>11</td>
<td>9</td>
<td>6</td>
<td>1.1</td>
</tr>
<tr>
<td>2</td>
<td>The availability of Dashen breweries company products mix is good.</td>
<td>N=214</td>
<td>119</td>
<td>53</td>
<td>20</td>
<td>13</td>
<td>9</td>
<td>1.7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100</td>
<td>56</td>
<td>25</td>
<td>9</td>
<td>6</td>
<td>4</td>
<td>1.1</td>
</tr>
<tr>
<td>3</td>
<td>The distributors are conveniently located.</td>
<td>N=214</td>
<td>61</td>
<td>96</td>
<td>15</td>
<td>30</td>
<td>12</td>
<td>2.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100</td>
<td>29</td>
<td>44</td>
<td>7</td>
<td>14</td>
<td>5</td>
<td>1.1</td>
</tr>
<tr>
<td>4</td>
<td>The products are delivered on time and with the specified requested quantity</td>
<td>N=214</td>
<td>45</td>
<td>112</td>
<td>15</td>
<td>17</td>
<td>25</td>
<td>2.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100</td>
<td>21</td>
<td>52</td>
<td>7</td>
<td>8</td>
<td>11</td>
<td>1.2</td>
</tr>
<tr>
<td>5</td>
<td>The products are available in the stock or delivered with a short period of time</td>
<td>N=214</td>
<td>79</td>
<td>67</td>
<td>26</td>
<td>14</td>
<td>28</td>
<td>2.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100</td>
<td>37</td>
<td>31</td>
<td>12</td>
<td>6.5</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>There is fair or no bias on the distribution of the product</td>
<td>N=214</td>
<td>56</td>
<td>77</td>
<td>36</td>
<td>21</td>
<td>24</td>
<td>2.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100</td>
<td>26</td>
<td>36</td>
<td>16</td>
<td>9</td>
<td>11</td>
<td>1.2</td>
</tr>
<tr>
<td></td>
<td>Valid N</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.1</td>
</tr>
</tbody>
</table>

Table 4.4.3 in the above presents the results of customer’s opinion about the distribution systems of the Dashen breweries products satisfactory. About 43% and 30% of the respondent strongly disagree and disagree respectively. This indicates that the distribution system is not
convenient to customers, but 15% customers found out that the distribution systems convenient to them.

As shown in item 3, the majority (73%) of the respondent disagree that the distributors are not conveniently located. Regarding products delivery time and with the specified requested quantity; about 21% and 52% of the respondents disagree and strongly disagree respectively. Close to 7% of the respondents are neutral. About 19% of the respondents strongly agree with this idea. This response clearly indicates that the company is not doing well in products delivery time and with the specified requested quantity.

Regarding to fair or unbiased on the distribution of the product respondents replied that: 62% disagree about the fairness of product distribution. And 16% were neutral about the fairness of product distribution. This indicates majority of the respondents were unhappy with the distribution parameters.

**4.3.4 Promotion Dimension**

Promotion is one of the backbones of any business because it generates the required awareness about the products or services among customers. A good promotional strategy should correlate well with the long-term marketing plans and goals of the business. Kotler, (2003) confirmed that promotions have become a critical factor in the marketing campaign and best tool to attract potential customers and in general to pursue the marketing objectives of the companies. The respondents were asked to indicate their levels of agreement. The findings are presented below in the table 4.4.4.
## Table 4.3.4 Customer Perception related to promotion dimension

<table>
<thead>
<tr>
<th>S.</th>
<th>Promotion dimension</th>
<th>SD</th>
<th>D</th>
<th>N</th>
<th>A</th>
<th>SA</th>
<th>MS</th>
<th>SDV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The Dashen breweries company advertisement is attractive.</td>
<td>N=214</td>
<td>67</td>
<td>80</td>
<td>33</td>
<td>21</td>
<td>13</td>
<td>2.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100</td>
<td>31</td>
<td>37</td>
<td>15</td>
<td>9</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Repetitiveness of Dashen breweries products advertisements are builds your confidence.</td>
<td>N=214</td>
<td>90</td>
<td>60</td>
<td>25</td>
<td>22</td>
<td>17</td>
<td>2.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100</td>
<td>42</td>
<td>28</td>
<td>11</td>
<td>10</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>The promotion of Dashen breweries makes me convinced and gets good awareness to buy</td>
<td>N=214</td>
<td>75</td>
<td>91</td>
<td>17</td>
<td>23</td>
<td>8</td>
<td>2.0</td>
</tr>
<tr>
<td></td>
<td>the product.</td>
<td>100</td>
<td>35</td>
<td>43</td>
<td>7</td>
<td>10</td>
<td>3.7</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>The Dashen breweries company advertisements follow its seasonality.</td>
<td>N=214</td>
<td>63</td>
<td>78</td>
<td>27</td>
<td>22</td>
<td>24</td>
<td>2.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100</td>
<td>29</td>
<td>36</td>
<td>12</td>
<td>10</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>The company has good promotion activity</td>
<td>N=214</td>
<td>52</td>
<td>92</td>
<td>31</td>
<td>25</td>
<td>14</td>
<td>2.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100</td>
<td>24</td>
<td>43</td>
<td>14</td>
<td>11</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>The company use most of promotion tools like advertising, personal selling, sales</td>
<td>N=214</td>
<td>77</td>
<td>82</td>
<td>21</td>
<td>18</td>
<td>16</td>
<td>2.1</td>
</tr>
<tr>
<td></td>
<td>promotion, public relation effectively</td>
<td>100</td>
<td>36</td>
<td>38</td>
<td>9</td>
<td>8</td>
<td>7</td>
<td></td>
</tr>
</tbody>
</table>

Regarding the first question which was: The Company has good promotion activity depicted that, only 6% of the customers were agree about the promotion activity of the company. In contrary 31% and 37% of the respondent customers strongly disagree and disagree on the promotional activity respectively. Overall the survey result showed that company advertisement is not attractive.
The above table shows the promotion of Dashen breweries makes me convinced and gets good awareness to buy the product. About 78% disagree on the idea that Dashen breweries promotion does not convinced and gets good awareness to buy the product. On the other hand, close to 10% and 3% agree and strongly agree to the above idea.

The company use most of promotion tools like advertising, personal selling, sales promotion, public relation effectively and the customers respond that, 7% agree on the effectively usage of promotional tools. On the other side 36% and 38% of the respondents customers strongly disagree and disagree about the effectively usage of promotional tools respectively. Generally, most of the customers replied that promotional tools like advertising, personal selling, sales promotion, public relation were not effectively applied.

The above table shows Dashen breweries company advertisements follow its seasonality. About 29% and 36% of the respondents selected strongly disagree and disagree respectively. About 12% and 10% of the respondents selected neutral and disagree respectively. This shows that company advertisement does not follow its seasonality.

4.3.5 Customer Satisfaction

As indicated by Lovelock (2004) customer satisfaction as “an individual’s feeling of pleasure (or disappointment) resulting from comparing the perceived performance or outcome in relation to the expectation.” Table 4.3.5 below illustrates the reflection of the respondents regarding the customer satisfaction.
### Table 4.3.4 Customer satisfaction

<table>
<thead>
<tr>
<th>S.</th>
<th>Customer Satisfaction</th>
<th>SD</th>
<th>D</th>
<th>N</th>
<th>A</th>
<th>SA</th>
<th>MS</th>
<th>SDV</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>You are satisfied by the customer handling service of the company.</td>
<td>N=214</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>100</td>
<td>12</td>
<td>18</td>
<td>32</td>
<td>82</td>
<td>70</td>
<td>3.8</td>
<td>1.1</td>
</tr>
<tr>
<td>2</td>
<td>If you have any defect on the product the company response is instant</td>
<td>N=214</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>100</td>
<td>10</td>
<td>14</td>
<td>24</td>
<td>104</td>
<td>62</td>
<td>3.9</td>
<td>1.0</td>
</tr>
<tr>
<td>3</td>
<td>Ways of objection or complain handling by the company representatives are attractive.</td>
<td>N=214</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>100</td>
<td>12</td>
<td>21</td>
<td>18</td>
<td>72</td>
<td>91</td>
<td>3.9</td>
<td>1.1</td>
</tr>
<tr>
<td>4</td>
<td>You will continue buying any Dashen breweries company products in the future.</td>
<td>N=214</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>100</td>
<td>20</td>
<td>28</td>
<td>14</td>
<td>62</td>
<td>90</td>
<td>3.8</td>
<td>1.3</td>
</tr>
<tr>
<td>5</td>
<td>Your good relationship or communication with the distributor it facilitates your work activities.</td>
<td>N=214</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>100</td>
<td>11</td>
<td>19</td>
<td>21</td>
<td>91</td>
<td>72</td>
<td>3.9</td>
<td>1.1</td>
</tr>
</tbody>
</table>

Table 4.4.3 in the above presents the results of customer’s opinion about customer handling service of the company. About 33% and 38% of the respondent strongly disagree and disagree respectively. This indicates that customers are satisfied by the customer handling service of the company.

Regarding the Ways of objection or complain handling by the company representatives, the majority of respondents (77%) replied that complain handling by the company representatives is very attractive. 71% of the respondent customers agree that they’ll continue buying Dashen breweries company products in the future.

### 4.4 Inferential Analysis
Like the descriptive statistical methods, i.e. demographic and other related factors, the scale typed questionnaire has been entered to the SPSS software version 20 and inferential statistics methods such as: correlation and multiple regression methods has been employed to test the hypothesis.

4.4.1 Correlation Analysis

To figure out the relationship between customer satisfaction, price, product, promotion and place, a Pearson (Karl Pearson, 1980) product moment correlation analysis is conducted. Correlation is a number between -1 and +1 that measures the degree of association between two variables. Here if the correlation coefficient is greater than 0.5 then the association between these variables could be considered as strong. The correlation between dependent and independent variables along with the causal effect was analysed 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.
The result shows in the Table 4.4 indicating that independent variables are statically significant with the p-value of 0.000 at 0.01 significant levels. As can be seen from the above table, relationship formed the highest Pearson Correlation analysis with \( r = 0.717 \) indicating that price has positive and high correlation with marked relationship toward customer satisfaction. Besides, product \( (r = 0.554) \) also interpreted to have positive and high correlation with marked relationship toward customer satisfaction. The result also indicated that distribution and promotion have
positive and medium correlation with marked relationship with customer satisfaction with the value of $r = 0.379$ and $0.342$. Based on the finding, the result indicates that all the variables (price, product, place and promotion) have positive correlation with customer satisfaction respectively when referred to the strength of association. Thus, the findings confirm the four hypotheses formulated for this study show that there is a significant relationship between price, product, place, and promotion with customer satisfaction at Dashen breweries and as a result we reject the null hypothesis for four of them.

**Assumptions Testing in Multiple Regressions**

The basic assumptions should be satisfied in order to maintain data validity and robustness of the regressed result of the research under the multiple regression models. Hence, this study has conducted the assumption tests such as, multi-Collinearity, linearity, and normality.

**4.4.2 MultiCollinearity test**

Multicollinearity is also known as collinearity and it is a phenomenon in which two or more predictor variables in a multiple regression model are highly correlated, if there is an existence of multicollinearity between variables it implies that one variable can be linearly predicted from the others with a substantial degree of accuracy.

Collinearity diagnostics on the variables as part of the multiple regression procedure is done using tolerance and variance inflation factor (VIF). Tolerance is an indicator of how much of the variability of the specified independent is not explained by the other independent variables in the model. If this value is very small (less than 0.10), it indicates that the multiple correlation with other variables is high, suggesting the possibility of multi Collinearity (Pallant, 2010) furthermore, the other value given is the VIF, which is just the inverse of the tolerance value (1 divided by tolerance). According to Pallant (2010), VIF values above 10 would be a concern, indicating multi Collinearity.
Table 4.8: Collinearity Diagnosis

<table>
<thead>
<tr>
<th>Model</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tolerance</td>
</tr>
<tr>
<td>PRODUCT</td>
<td>.693</td>
</tr>
<tr>
<td>PRICE</td>
<td>.653</td>
</tr>
<tr>
<td>DISTRIBUTION</td>
<td>.221</td>
</tr>
<tr>
<td>PROMOTION</td>
<td>.233</td>
</tr>
</tbody>
</table>

The tolerance values of all independent variables and the Variance inflation factor are above 0.1 and below 10 respectively which indicates there is no multicollinearity problem, so the researcher can proceed to do the multiple regression Analysis now.

4.4.3 Normality Test

According to Brooks (2008), if the residuals are normally distributed, the histogram should be bell-shaped, the kurtosis must be no by far large from three 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 greater than 0.05 not reject the null of normality hypothesis at the 5% level.
From the above figure 4.2 we can conclude that the data is normally distributed. That is Bera-Jarque statistic has a P-value of 0.937 implying that the data were consistent with a normal distribution assumption.

### 4.5.4 Linearity Test

The assumption of linearity can be checked by inspecting the Normal Probability Plot (P-P) of the Regression Standardized Residual and the Scatterplot shown as part of the analysis. If points lie in a reasonably straight diagonal line from bottom left to top right in the Normal P-P plot, no major deviation from normality can be suggested. In the present study, we can easily see from the Normal P-P plot that points line in a reasonably straight diagonal line from bottom left to top right for all dependent variables (see figure 4.2). This suggests that the assumption of linearity was not violated.
4.5 Regression Analysis

Multiple regression is a flexible method of data analysis that may be appropriate whenever a quantitative variable (the dependent or criterion variable) is to be examined in relationship to any other factors (expressed as independent or predictor variables). Regression analysis was conducted to know by how much the independent variable explains the dependent variable. It is also used to understand by how much each independent variable explains the dependent variable that is customer satisfaction.

**Table 4.5.1: Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.757a</td>
<td>.573</td>
<td>.564</td>
<td>.2051</td>
</tr>
</tbody>
</table>
The model summary table 4.5.1 states that the four independent variables that constitute the customer satisfaction of coefficient of determination R square is 0.573, which implies that there is quite significant explanatory power and also 57% variation on dependent variable is caused by independent variables and the remaining 43% is because of other unknown variables.

**Table 4.5.2: Analysis of Variance**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>11.785</td>
<td>4</td>
<td>2.946</td>
<td>70.018</td>
<td>.000</td>
</tr>
<tr>
<td>Residual</td>
<td>8.794</td>
<td>209</td>
<td>.042</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>20.579</td>
<td>213</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

From the ANOVA table it has been determined that F = 70 and Sig. is .000 which confirms that marketing mix have significant impact on customer satisfaction. Hence the result depicted that the alternative hypothesis marketing mix has a significant impact on customer satisfaction is accepted.

**Table 4.5.3: Regression Coefficients**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
</tr>
<tr>
<td>(Constant)</td>
<td>.820</td>
<td>.197</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRODUCT</td>
<td>.178</td>
<td>.044</td>
<td>.222</td>
<td></td>
</tr>
<tr>
<td>PRICE</td>
<td>.587</td>
<td>.057</td>
<td>.578</td>
<td>10.327</td>
</tr>
<tr>
<td>DISTRIBUTION</td>
<td>.015</td>
<td>.038</td>
<td>.037</td>
<td>.385</td>
</tr>
<tr>
<td>PROMOTION</td>
<td>.057</td>
<td>.037</td>
<td>.145</td>
<td>1.547</td>
</tr>
</tbody>
</table>

Source: SPSS Version 20 output (2019)
The coefficient table for marketing mix dimensions indicates the beta values of the independent variables. From this the regression equation is derived as:

\[ Y = a + bX_1 + bX_2 + bX_3 + bX_4 \ldots \]

\[ CS = 0.820 + 0.178PRO + 0.587PRI + 0.015PLA + 0.178PRO \]

Where, CS = Customer satisfaction

PRO = Product

PRI = Price

PLA = Place

PRO = Promotion

Hypothesis testing for this study is based on standardized coefficients beta and P-value to test whether the hypotheses are accepted or not.

H1: There is significant relationship between beer products and Satisfaction level with beer consumptions. The result of table 4.5.3 shows that standardized coefficient beta and p value of Product strategy was significant (beta=.222, p<0.05). Therefore, H1 is accepted.

H2: There is significant relationship between price of beer and Satisfaction level with beer consumptions. The result of table 4.5.3 shows that standardized coefficient beta and p value of Price strategy was significant (beta= .0578, p<0.05). Therefore, H2 is accepted.

H3: There is significant relationship between promotional activities and satisfaction level with beer consumptions. The result of table 4.5.3 shows that standardized coefficient beta and p value of promotion strategy was significant (beta=.145, p<0.05). Therefore, H3 is accepted.

H4: There is significant relationship between place of the product and Satisfaction level with beer consumptions. The result of table 4.5.3 shows that standardized coefficient beta and p value of place strategy was significant (beta= -.037, p<0.05). Therefore, H4 is accepted

4.6. Discussion of Findings

This section discusses the findings of the statistical analysis:

Product

A product is set of tangible and intangible attributes including colour, quality and brand, plus the seller’s service and reputation. A product may be good, service, place, person or idea. William J. Stanton, (1991). From the regression analysis we can see that there is a positive statistical relationship between product (the independent variable) and customer satisfaction (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 satisfaction) explained by the independent variable (product) in the linear regression model. Thus a unit increase in product leads to .178 increases in customer satisfaction other things being constant.

**Price**

Price is the amount of money charged for a product or service, or the sum of the values that consumers exchange for the benefit of having or using the product or service (Kotler and Armstrong, 2005). From the regression analysis we can see that there is a positive statistical relationship between price (the independent variable) and customer satisfaction (the dependent variable). Thus a unit increase in price leads to .0587 increases in customer satisfaction other things being constant.

**Place/Distribution**

Physical distribution is the storage, handling and movement of goods to make them available when and where customers want them (Keegan, Moriarty, and Duncan, 1992). From the regression analysis we can see that there is a positive statistical relationship between distribution (the independent variable) and customer satisfaction (the dependent variable). Thus a unit increase in distribution leads to .150 increase in customer satisfaction other things being constant.

**Promotion**

Promotion is any form of communication used to inform, persuade, and/or remind people about an organization’s or individual goods, services, image, ideas, community involvement or impact on society. From the regression analysis we can see that there is a positive and statistically significant relationship between promotion (the independent variable) and customer satisfaction (the dependent variable). Thus a unit increase in empathy leads to .570 increases in customer relationship other things being constant.
CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

This chapter consists of three sections which include summary of the findings, conclusion and recommendations.

5.1. Summary of Major Findings

This study is focused on identifying the determining factors that influence customer’s satisfaction and thereby allowing them to set as criterion for their preference of beers. The survey population comprises wholesaler and retailer and they are familiar in beer. Since it is challenging to cover all population through survey, this study has used sampling techniques to arrive at representative sample. Thus, sample of 232 respondents were randomly sampled for the survey. From that 214 of the self-administered questionnaire were filled and returned to the researcher. Data for this study was gathered through self-administered questionnaires.

Quantitative methods of data analysis were used. Information collected from respondents through questionnaire was analysed quantitatively using percentage, weighted mean correlation and regression techniques using SPSS version 20. Thus the two tailed Pearson correlation coefficient shows that there is a significant relationship between price, product, place, and promotion with customer satisfaction, and place at 5% significant level. In this regard the R square value depicts that 5% of the variation on the dependent variable could be explained by the four repressors.

5.2. Conclusions

First, regarding to one of the major marketing mix element “product” which include the quality, feature, design and style and other attributes the respondent customers comprehended as follow considering those survey parameters.

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

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

Thirdly, regarding to “place” or “distribution” which include on time delivery, accessible to different place, good store capacity and others attributes the respondent customers comprehended as follow considering those survey parameters.

• The products are not delivered on time and with the specified requested quantity
• The products are not available in the stock or not delivered with a short period of time
• There is unfair or bias on the distribution of the product

Fourthly, regarding to “promotion” which includes applicability of major promotion mix, connection with the customers and media and other promotional features the respondent customers comprehended as follow considering those survey parameters.

• The company does not have good promotion activity
• The company remain using most of promotion tools like advertising, personal selling, sales promotion, public relation effectively
• The company use special promotion activity like gift, customer get together and others to attract customers

Finally, regarding to the general level of “customer satisfaction” which includes the companies activity in the sector, adopting of new features, feeling and keeping the customers interest and others customer satisfaction aspects the respondent customers comprehended as follow considering those survey parameters.

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

5.3. Recommendations

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

- To succeed in business the company has to focus on satisfying its customers and gradually increase the level of its customer’s satisfaction through having a clear cut marketing strategies and integrating its various marketing activities.
- The factory must choose distributors that reach its customers most effectively and other intermediaries that add value to the distributive process. The factory has to do more to expand its local market coverage and increase its market share by selling the products even in rural areas. Thus effective management of the distributive systems delivers the most customer value and satisfaction.
- Since promotional activities have a great role in increasing the number of customers, using advertising products through radio and television programs and other events is significant in affecting the beer selection decision of the customers, the brewery company is recommended to expend more on promotions.
- In addition the brewery company is also recommended to expand their branch or distribution centers and warehouse. Besides their effort in modernizing technology so as to ensure accessibility and so as to make customers convenient.
- The company needs to know the sensitivity of price and due consideration need to be given in times of price setting.
- The company is further recommended to conduct further research on the beer selection criteria taking into consideration the increment in sales volume. This helps the company to assess the overall performance of the industry as well as to identify integrated beer selection criteria chosen by customers.

5.4. Suggestions for Further Research

This study had included only five factors and future researches, may consider more factors. Hence, other consumer characteristic like customer loyalty was not included. Therefore, further researchers recommended focusing on the effect of marketing mix on customer satisfaction and their product purchased decision elements and also the customer’s loyalty in the sector.
REFERENCES


APPENDIX A: QUESTIONNAIRE  
ST. MARY’S UNIVERSITY  
SCHOOL OF GRADUATE STUDIES  
DEPARTMENT OF MARKETING MANAGEMENT

Questionnaire for The Effect of Marketing Mix on Customer Satisfaction in the Breweries Industry: A Case Study of Dashen Breweries S.C

Dear respondent,

First of all I would like to thank you for giving your precious time to fill this questionnaire. The purpose of this questionnaire is to gather relevant information which will inform the effect of marketing mix on customer satisfaction in the Breweries Industry: A Case Study of Dashen Breweries S.C

The information you provide will help me to better understand the situation and will be used as an input for completing my Marketing Management Thesis in St Mary’s University.

Therefore, I kindly request you to complete the following questions to reflect your opinions as accurately as possible and give factual information to the best of your knowledge. The information that I will get from you will be treated confidentially and will not be disclosed for third party.

Thank You

Eden Zelealem
Part I Demographic information of respondents

1. Gender

Male   Female

2. Educational Level

Diploma   BSC   Masters   PHD

Other (please specify) ________________________________

3. To what category do you belong

Wholesalers   Retailers

Other ________________________________

4. Kindly, indicate your experience the Breweries sector.

[ ] Less than a year     [ ] 1 - 5 years

[ ] 6 – 10 years     [ ] 11 – 15 years

[ ] Over 15 years

Part II. Questions regarding to factors affecting customer satisfaction

Below are lists of questioners relating to the effect of marketing mix on customer satisfaction in the Breweries Industry: A case study of Dashen Breweries S.C. Please indicate whether you agree or disagree with each statement by ticking (√) on the spaces that specify your choice from the options that range from strongly disagree to strongly agree.

Key SA=strongly Disagree (1)  A= Disagree (2)  N= Neutral (3) D= agree (4)  SD= strongly agree (5)

<table>
<thead>
<tr>
<th>S/No</th>
<th>determinant factors</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Product</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>1.1</td>
<td>The quality of Dashen breweries company products keeps their own standards.</td>
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<tr>
<td>1.2</td>
<td>The packages of Dashen breweries company products are very attractive.</td>
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<tr>
<td>1.3</td>
<td>there is consistence and compatibility in the quality of the product</td>
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<tr>
<td>1.4</td>
<td>The company product is better than other available brands</td>
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<tr>
<td>1.5</td>
<td>the overall quality of the product is good</td>
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<tr>
<td>2</td>
<td><strong>Price</strong></td>
<td></td>
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</tr>
<tr>
<td>2.1</td>
<td>The current prices of Dashen breweries products are fair and reasonable.</td>
<td></td>
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<td>2.2</td>
<td>In your perception about the value of Dashen breweries products as compared to its price are equivalent</td>
<td></td>
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<td>2.3</td>
<td>The company has convenient and well suited payments method</td>
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<tr>
<td>2.4</td>
<td>The company provide different discount method to attract new customers and to retain the existing one</td>
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<tr>
<td>2.5</td>
<td>The price of the products are below competitive prices</td>
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<tr>
<td>2.6</td>
<td>There is very low price fluctuation on products</td>
<td></td>
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</tr>
<tr>
<td>3</td>
<td><strong>Distribution</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>3.1</td>
<td>The distribution systems of the Dashen breweries products are satisfactory.</td>
<td></td>
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</tr>
<tr>
<td>3.2</td>
<td>The availability of Dashen breweries company products mix is good.</td>
<td></td>
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</tr>
<tr>
<td>3.3</td>
<td>The distributors are conveniently located.</td>
<td></td>
<td></td>
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<tr>
<td>3.4</td>
<td>The products are delivered on time and with the specified requested quantity</td>
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</tr>
<tr>
<td>3.5</td>
<td>The products are available in the stock or delivered with a short period of time</td>
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</tr>
<tr>
<td>3.6</td>
<td>There is fair or no bias on the distribution of the product</td>
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<tr>
<td>4</td>
<td><strong>Promotion</strong></td>
<td></td>
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</tr>
</tbody>
</table>

vi
4.1 The Dashen breweries company advertisements is attractive.

4.2 Repetitiveness of Dashen breweries products advertisements are builds your confidence.

4.3 The promotion of Dashen breweries makes me convinced and gets good awareness to buy the product.

4.4 The Dashen breweries company advertisements follow its seasonality.

4.5 The company has good promotion activity

4.6 The company use most of promotion tools like advertising, personal selling, sales promotion, public relation effectively

<p>| | |</p>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>5</strong></td>
<td><strong>Customer satisfaction</strong></td>
</tr>
</tbody>
</table>

5.1 You are satisfied by the customer handling service of the company.

5.2 If you have any defect on the product the company response is instant.

5.3 Ways of objection or complain handling by the company representatives are attractive.

5.4 You will continue buying any Dashen breweries company products in the future.

5.5 Your good relationship or communication with the distributor it facilitates your work activities.