Effects of Marketing Strategy on Banks' Performance

A Thesis Submitted to Addis Ababa University's College of Business and Economics to Fulfil Part of the Requirements for the Master of Business Administration

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Declaration

I, Teka Gonfa Denboba, hereby declare that this thesis (**Effects of Marketing Strategy on Banks' Performance)** has been submitted to fulfill part of the requirements for the Master of Business Administration, and was not previously submitted to any other academic institution for a degree or to fulfill part of the requirements for a degree. I also declare the fact that all the literatures and sources of information have been fully acknowledged and that this thesis has been written by myself.

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Abstract

Ethiopian commercial banks' marketing strategies and mixes have certain deficiencies, and their marketing practices have not grown fully. Despite these, there are inadequate researches that have so far been conducted on the industry's marketing activities, especially in relation to the effect of banks' marketing strategy upon their financial as well as market share performances. As a result of this, this research, which is mixed methods research and based on pragmatic worldview, has been conducted to achieve three main purposes: To establish the causes of these deficiencies, to determine the relationship that exists between marketing strategy and banks' performance, and to establish the mediating role of customer satisfaction in this relationship. To achieve these purposes, a research model that shows the relationships that exist between the research variables was developed on the basis of the literatures. Then, interview data, which were subsequently analyzed by using thematic analysis method, were collected from the banks' marketing managers - who were selected through quota sampling technique. On top of this, survey data were gathered from a sample of two hundred and thirty eight bankers (who were selected by using simple random sampling technique) by using an instrument that its validity and reliability were established through statistical method. Finally, descriptive, correlation, and regression analyses of these data were conducted by using SPSS v25; Sobel test method was used to test the statistical significance of the mediated effect of banks' marketing strategy upon their performance; and, bootstrapping method was used to test the hypotheses. Accordingly, the results of qualitative analysis show that the infancy of the country's financial and banking systems, failure on the part the country's financial regulatory body in issuing legal instruments, lack of adequate banking infrastructure which banks often cite for their system interruption or delay, failure on the part of the banks in taking more proactive steps, lack of originality when it comes to marketing strategy formulation, and undergrowth of the country's marketing practices are the main reasons for the inadequacies of Ethiopian commercial banks' marketing strategies and mixes. In addition to these, the results of quantitative analyses confirm that banks' marketing strategies (which are represented by product, pricing, communication, distribution, customer relationship, and sustainable marketing strategies) have statistically significant direct and indirect effects upon banks' performances; customer satisfaction has statistically significant direct effect upon banks' performance when banks' marketing strategies are included in the models as another predictors of the outcome variable; and, the indirect or mediated effects are partial mediation only. Therefore, these findings enable complete understanding of the research topic as they provide objective, convincing, and full evidence that shows the effects that marketing strategy has upon banks' financial and market share performances; they help the country's bank managers to understand the important relationships that exist between banks' marketing strategies, banks customers' satisfaction, and banks' performances; and, they make very important contribution to the literature as they fill the research gap by providing full answers to some of the incomplete, inconsistent, inadequate, or contradictory findings that were highlighted in the literature.

Key words: Product, price, place, promotion, customer relationship, and sustainability.

Chapter One

Introductory

1.1. Background of the Study

Marketing Strategy, which is the marketing game plan by which a company attempts to create superior customer value and build profitable relationship with them, is guided by the overall or corporate strategy of a company, occurs at functional, product, business unit, or market level, and supports the company's overall strategy by providing detailed plans for specific marketing opportunities. On the other hand, marketing mix, which was coined by Harvard Professor – Neil H. Borden in the late 1940s, is guided by the company's marketing strategy and made up of tactical marketing tools or factors (such as product, price, place, and promotion) that are under the control of the company (Kotler & Armstrong, 2018; Wikipedia). Therefore, it is not possible to talk about the one without the other, i.e. about marketing mix without talking about marketing strategy.

The reasons behind the success story of today's companies are that they are highly customer focused and committed to marketing. These companies are driven to satisfy their target customers' needs through creation and delivery of superior customer value. Furthermore, the proliferation of social media, mobile, and other digital means of shopping has revolutionized how consumers interact and shop, thereby forcing companies to device or adopt new marketing strategies and mix. All these important technological developments have heightened, more than ever, the importance of building strong customer engagements and relationships on the basis of real and lasting customer value (Kotler & Armstrong, 2018). Furthermore, as (Ketema et al., 2020) correctly state it, competition within Ethiopia banking sector has intensified, thereby making financial performance the main battle ground.

The above mentioned facts clearly justify continuous marketing research and innovation on the parts of the companies so that they are able to stay ahead of their competitors in identifying and satisfying their customers' needs through creation and delivery of superior customer value. In addition to these, the global nature of banking business has made it impractical for the country's banks, despite being fenced by the Ethiopian government from the competition of foreign banks, to escape from the effects of the global financial activities or phenomenon. One of the main reasons for this fact is that banks deal with a number of foreign banks and companies to facilitate international trade and conduct foreign exchange transactions. And, this affirms the fact that Ethiopia banks are part of the global banking business, and are not immune to its impacts. For example, the 2008 financial crisis around the world clearly exposed the vulnerability of global financial sector in times of global economic downturn (Molyneux, 2011). Furthermore, as the role of the financial sector continues to grow, pressures mount for more effective marketing management of the sector. Hence, the competitive nature of today's financial sector and mounting rivalry from other institutions are justifying greater applications of marketing techniques and tools (Meidan, 1996). Besides, it is worth noting that there is strong positive relationship between marketing strategies of companies, including those which are in the financial sector, and their financial performance (Wazis et al., 2016; Akeem, 2014; Tadege, 2020).

Despite these facts, there has been a dearth of research in the research topic area, as it was indicated by Morgan et al. (2019). These writers also acknowledged that marketing strategy was a construct that was at the heart of the concept of strategic marketing.

On top of the scarcity of literatures, certain writers mistakenly treat strategic marketing as marketing strategy, or marketing strategy as marketing mix, or marketing management as marketing mix (Varadarajan, 2009). This fact was also reflected by (El-Ansary, 2006) who stated that marketing strategy lacked conceptual clarity, correctly mentioned that literatures were wrongly treating marketing strategy both as segmentation, targeting, differentiation, and positioning, and at the same time, as the marketing mix or the four Ps, but mistakenly described marketing mix as marketing management. Constantinides (2006) was another writer who identified a research gap in the research topic area and recommended further research on the research topic area.

1.2. **Statement of the Problem**

Ethiopian commercial banks have faced a number of challenges, though they are currently growing rapidly (Beyene & Zewude, 2021; Gebrehiwot, 2021; Tafese & Lemma, 2014; CBE Annual Report, 2020; Dashen Bank Annual Report, 2019; Awash Bank Annual Report, 2018). As exploratory findings show, Ethiopian commercial banks are not rolling out debit card as a default means of operating current accounts instead of a book or paper which is highly outdated means of banking. These banks have not started offering credit card, their debit card users are still the minorities, their ATMs are available only at limited places (Desalegn & Yemataw, 2017), there is no standing order system for the customers to be able to pay their bills directly from their accounts, and their Point-of-Sale (POS) terminals are available only at a few supermarkets and hotels that operate in Addis Ababa. These problems show the fact that the country's banks market segmentation, targeting, and value proposition are inadequate. Furthermore, Ethiopian banking service penetration rate is very low as the majority of the country's rural population have still got no access to banking services (Gebrehiwot, 2021). For example, there were only 22% of Ethiopian adults who had bank accounts in 2016. And, this figure was even lower than the then Sub-Saharan African's 34% (Desalegn &Yemataw, 2017).

Thus, Ethiopian commercial banks' marketing strategies and marketing mixes have certain deficiencies as the banking services, both in terms of type and quality, that these banks currently offer lag behind those which are available in many developed and some developing countries, including Kenya (which its banking service penetration rate was 89% in 2019 according to the financial access survey conducted by the Central Bank of Kenya) and South Africa. On top these, as it can be inferred from the studies of Yeneneh et al. (2018) and Tafese & Lemma (2014), the marketing practices of Ethiopian commercial banks have not grown fully.

Despite these facts, there are inadequate studies that have so far been conducted on the sector' marketing activities, especially in relation to the effect of a company's marketing strategy upon its performance. One of the mentionable domestic researches in the research topic area is the one conducted by Yilma (2019) who found significant, positive, and causal relationship between Ethiopian Commercial Banks' profitability and the number of their branches and commission income. But, his finding that banks' advertising expense has no significant effect upon their profitability is not congruent with the theory. The other mentionable domestic study on the research topic area is the one conducted by Fekadu (2018) - who found significant, positive, and causal relationship between three of the marketing mix elements (i.e. product, Price, promotion) and market performance, and recommended further study in the research topic area in order to reach at more generalizable findings. The study that was conducted by Gebrehiwot (2021) can also be mentioned as inadequate as it did not look at all the relevant variables. Hence, the inadequacy, contradiction, and inconsistency of these studies and their findings sufficiently show the existence of a research gap in the research topic area.

Most importantly, it is necessary to note that there has been a dearth of research in the research topic area (Morgan et al, 2018) and the available literatures have inadequate, contradictory, or inconsistent answers for the research questions as it was showed in the studies of Akwam & Yua (2021), Gebrehiwot (2021), Sandra (2019), Yilma (2019), and Fekadu (2018), thereby further highlighting the existence of a research gap in the research topic area and justifying the need for additional research as it was recommended by Fekadu (2018) and Constantinides (2006). Hence, this study, which has analytical depth and is the first in its kind, fills this research gap by offering fresh and comprehensive insights about the relationships that exist between banks' marketing strategy, banks customers' satisfaction, and banks' performance; by addressing the research problems; by meeting the research objectives; and, by answering the research questions.

1.3. **Research Questions**

What are the causes of some of the deficiencies of Ethiopian Commercial Banks' marketing strategies and mixes?

1. How does product strategy impact on banks' performance?
2. How does pricing strategy impact on banks' performance?
3. How does communication strategy impact on banks' performance?
4. How does distribution strategy impact on banks' performance?
5. How does customer relationship strategy impact on banks' performance?
6. How does sustainable marketing strategy impact on banks' performance?
7. How does customer satisfaction mediate the relationship between marketing strategy and banks' performance?

1.4. Objectives of the Study

1.4.1. Main Objective of the Study

The main objective of the study is to establish the causes of some of the inadequacies of Ethiopian commercial banks' marketing strategies and mixes, to find out the effects of marketing strategy upon banks' performance, and to establish the mediating role of customer satisfaction in this relationship.

1.4.2. Specific Objectives of the Study

The specific objectives of the study are:

1. To establish the causes of some of the deficiencies of Ethiopian commercial banks' marketing strategies and mixes.
2. To establish the effects of banks' product strategy upon banks' performance.
3. To establish the effects of banks' pricing strategy upon banks' performance.
4. To establish the effects of banks' communication strategy upon banks' performance.
5. To establish the effects of banks' distribution strategy upon banks' performance.

6. To establish the effects of banks' customer relationship strategy upon banks' performance.
7. To establish the effects of banks' sustainable marketing strategy upon banks' performance.
8. To establish how customer satisfaction mediates the relationship between banks' marketing strategies and banks' performance.

1.5. Significance of the Study

As it has already been stated above, Ethiopia's banking industry has a number of deficiencies, and lags behind a number of developing countries' banking industries, including neighboring Kenya. Furthermore, there has been a dearth of research on the research topic area, and those which have so far been conducted are not sufficient. This is something that can be seen in many studies which were conducted on the research topic areas, including the studies of Akwam (2021), Yilma (2019), Morgan et al. (2018), Fekadu (2018), Constantinides (2006), Sandra (2019), and Gebrehiwot (2021). Therefore, this study is highly significant given its analytical depth and rigors; it has enormous importance in highlighting the causes of the deficiencies of the country's banking services and marketing practices; it establishes and delineates the relationships that exist between banks' marketing strategy, banks customers' satisfaction, and banks' performance; it fills the research gap; it makes useful contributions to the literatures; and, it benefits policy makers, bank executives, the county's financial regulatory body, and the industry's marketing practitioners by enabling them to take corrective measures.

1.6. Scope of the Study

The study is based on the information that have been obtained from the banks' through interviews of the banks' marketing managers and survey of the banks' marketing, sales, and customer service staff. And, its conceptual boundary are represented by the boundaries of the relationships that exist between marketing strategy, customer satisfaction, and banks' performance.

1.7. Limitation of the Study

It is necessary to note that the study has been hampered by the lack of accurate mechanism or metrics that identify the exact financial return that is being generated by the banks' marketing strategy. This limitation was also acknowledged by (Fekadu, 2018) who stated the fact that it was challenging to identify the contribution that marketing would make to the company's performance.

Chapter Two

Review of Relevant Literatures

2.1. Introduction

Many studies showed that there was a direct link between companies' strategic approach to marketing, customer satisfaction, and companies' performance (Hooley et al, 2008). This shows the fact that customer satisfaction mediates the relationship between companies' marketing strategies (such as product strategy, pricing strategy, distribution strategy, communication strategy, customer relationship strategy, and sustainable marketing strategy) and their performance. Thus, this chapter reviews relevant literatures under two major sections (i.e. theoretical and empirical literatures sections) in order to look at these relationships in a more detailed manner. In theoretical literatures section, theoretical literatures that are related to marketing of financial services, marketing strategy, marketing mix, product strategy, pricing strategy, distribution strategy, communication strategy, customer relationship strategy, and sustainable marketing strategy have been analytically reviewed. In empirical literatures section, the same themes have been analyzed critically on the basis of empirical evidence.

2.2. Theoretical Literatures Review

Whether a company, including financial institutions, succeeds in a given market depends very much upon its ability to assess and seize new opportunities, win customers from its competitors, and fine tune its marketing strategy and market offerings (Meidan, 1996). And, this requires a thorough analysis and understanding of customers' needs and wants, appropriate segmentation and targeting of the market, and designing and implementing a marketing mix that satisfy these needs and wants (Kotler & Keller, 2016; Kotler & Armstrong 2018). This means that a company needs to have customer value-driven marketing strategy that matches with the company's overall or corporate strategies (Kotler et al. 2018; Meidan, 1996). Furthermore, satisfying customers' needs and doing it so in a better way than competitors do it requires identifying and recognizing the unique capabilities and resources of the company and the way in which they can be configured to meet those customers' needs (Ennew & Waite, 2007).

2.2.1. Marketing of Financial Services

Even though all the marketing processes and activities (such as environmental analysis, market segmentation, targeting, differentiation, positioning, etc.) are relevant to all companies, it is necessary to recognize the fact that service companies, especially banks and insurances, are different from those that produce physical goods. And, it follows that the marketing requirements of financial companies are different from those which produce physical goods. In other words, the focus of financial companies' marketing processes, activities, and the manner in which they implement their marketing plan differ from those which are used by none-financial institutions.

For example, the kind of advertising that works for Apple might not be suitable for Barclay bank (Ennew & Waite, 2007; Ehrlich & Fanelli, 2012).

In addition to these, it might be challenging to make general statements about marketing of banks or other financial institutions given the existence of different types of banking products. This means that not all marketing challenges are related to all kinds of banking services nor do all marketing solutions work in every situation. Thus, the role of marketing in banking is to be able to understand the challenges that are posed by a wide variety of financial products and to design a marketing program that fit into the circumstances of a particular bank and customer (Ennew and Waite, 2007). On top of this, it is useful to highlight the fact that marketing of financial services has gained prominence due to the existence of enormous competitive pressures from within the financial sector and from other institutions (Nagdeman, 2009; Meidan, 1996).

It is also necessary to note that service quality remains the most important differentiator as product differentiation yields temporary advantage that does not last long. This is due to the fact that quality of a service, unlike quality of goods which is controlled at the source, is highly influenced by the people who make the sale or handle the customers. For example, all Samsung phones are the same, but not all banking or insurance advisors are the same (Ehrlich & Fanelli, 2012).

Finally, it is important to highlight the fact that new financial products often fail to succeed in the market when the products are not sufficiently differentiated from known brands in the industry, fail to meet customers' needs, fail to appeal to distributors, fail to appeal to target markets, and fail to meet target markets' expectations (Nagdeman, 2009).

2.2.2. Marketing Strategy and Mix

Financial service institutions were slow in adopting a strategic approach to marketing and in recognizing the benefits of being market-driven institutions (Nagdeman, 2009; Ennew & Waite, 2007), though many studies showed that there were direct links between companies' market orientation, customers' satisfaction, and their financial performance (Hooley et al, 2008). These companies were focusing too much on advertising and selling their existing products to their customers as they misconstrued that these were what marketing was all about. However, marketing is more than just advertising and selling. And, a strategic approach to marketing requires companies to understand their consumers' needs and to strive to satisfy those needs in a better way than their competitors do (Ennew & Waite, 2007).

Furthermore, as it has been indicated above, there is a positive and causal relationship between companies' strategic approach to marketing and their performance as companies understanding of their competitors and customers' needs enables them to deliver superior customer value, which in turn results in customer satisfaction, retention, and acquisition (Kotler & Keller, 2016). It is also worth noting that retention of existing customer is by far cheaper than acquiring new ones. Hence, investment in strategic approach to marketing is a more effective way of increasing companies' value than through reduction of costs (Ennew & Waite, 2007). With regard to these, Hooley et al.

(2008) also stated the fact that the link between companies' marketing efforts and their financial performance was well known, and that customer satisfaction and loyalty would lead to higher revenue and market share. On top of these, strategic approach to marketing increase shareholders' value or creates wealth through increased future cash flows that result from the successful launch of a new product or through the selection of optimal market segments, differentiation, positioning, and adoption of suitable marketing mix (Hooley et al, 2008).

While a corporate strategy refers to the overall strategy of a company and serves as a guiding framework for functional level strategies (such as financial strategy, operations strategy, marketing strategy, and human resource strategy), marketing strategy is concerned with the company's marketing activities (Ennew & Waite, 2007; Fifield, 2007). More specifically, marketing strategy is a game plan by which a company creates customer value and attains profitable customer relationships. It is part of a marketing plan, a statement of how a company intends to compete in its target market, and customer value-driven (Kotler & Keller, 2016; Ennew & Waite, 2007). More importantly, it entails market segmentation, targeting, differentiation, and positioning. This shows that one company's marketing strategy is based on the analysis of marketing environment, and states which market segment a company serves and how it serves (Kotler & Armstrong, 2018). In other words, effective marketing strategy begins with a thorough analysis of the company's internal and external environments, identifies target market segments and means of differentiation, and entails positioning (Hooley et al, 2008).

On the other hand, marketing mix is guided by the company's marketing strategy and made up of tactical tools or factors (such as product, price, promotion, and place) which are under the control of the company and used to implement the company's marketing strategy (Kotler & Armstrong, 2018; Hooley et al, 2008).

2.2.2.1. Marketing Strategy

As there are many kinds of consumers with various kinds of needs, it is not possible for a company to serve all of these consumers at least in the same way. Consequently, companies need to adopt effective marketing strategy, which is a company's marketing game plan or guiding philosophy. And, this requires them to split the total market, choose a few segments that they can best serve, and design their value proposition. In other words, this means that companies need to segment the market, select the right segment that suit their capabilities, differentiate their offerings, and position it in the minds of their customers. And, these activities represent the four major steps of marketing strategy (Kotler & Armstrong, 2018; Ennew & Waite, 2007).

Market segmentation refers to the process of splitting a market into various groups of consumers who have various characteristics, behaviors, or needs, and require different marketing strategies and mixes that suit their variations. Grouping and splitting of a market can be done on the basis of demographic, geographic, psychographic (lifestyle or personality), and behavioral (attitude) factors (Kotler & Keller, 2016). It is also necessary to note that not all forms of segmentation are equally fruitful. For example, banks will benefit nothing by dividing between male and female current account users as both groups respond to the product in same way. Thus, market segmentations can only be effective to the extent that the segments respond differently to a given marketing program (Kotler & Armstrong, 2018; Ennew & Waite, 2007; Ehrlich & Fanelli, 2012).

Thus, effective market segmentation requires that market segments must be measurable, accessible, substantial, differentiable, and actionable. While measurable refers to the fact that the segments' size, purchasing power, profit, and other metrics should be measurable, accessibility refers to the fact that market segments must be physically reachable so as to be served. Substantial means market segments have to be large or profitable enough to be worth pursuing them with marketing programs that are designed for their particular marketing characteristics. On the other hand, differentiability refers to the fact that the market segments must be distinctive or dissimilar and react differently to various marketing programs. Finally, actionable means that distinct marketing program can be prepared for each market segment (Kotler & Armstrong, 2018; Kotler & Keller, 2016; Ennew & Waite, 2007).

Market targeting refers to assessing the profitability of each market segment and choosing one or more of them so as to serve them on the basis of their values to a company (Kotler & Armstrong, 2018; Ennew & Waite, 2007; Ehrlich & Fanelli, 2012). It is also important to recognize that selection of a market segment is dictated by the level of resources and capabilities that a company owns. This means that companies with limited resources will be restricted to select only one or few segments or niches that are often overlooked by major rivals in the industry. For example, a new bank that enters a banking industry might introduce seven days a week banking services, unlke major banks in the industry, to attract customers who are too busy to go to banks during week days (Kotler & Armstrong, 2018).

The three main factors that a company needs to take into consideration when it evaluates the worthiness of each market segment are the size and growth potential of a market segment, structural attractiveness of a market segment, and its own resources, capabilities, and objectives (Kotler & Armstrong, 2018; Ennew & Waite, 2007). It is worth noting that smaller companies are often gravitated towards segments that are less attractive and smaller, but have better profit potentials, as such companies may lack the resources and capabilities that are required to compete in and serve largest and fast-growing segments (Kotler & Armstrong, 2018). With regard to the structural attractiveness of a market segment, a company needs assess whether there are strong competitors in the industry, existence of entry barriers and substitute products, the bargaining power of buyers, and the bargaining power of suppliers. For example, a market segment is considered to be less attractive if it has many strong competitors, has no entry barrier, has many substitute products, has buyers with strong bargaining power, or has powerful suppliers. In addition to these, a company needs to assess its own capabilities, resources, and objectives as it should only enter market segments that matches with its competitive advantages and in which it is able to deliver superior customer value in a socially responsible manner. Socially responsible marketing refers to marketing activities that aim at serving the interest of the company as well as the market (Kotler & Armstrong, 2018; Kotler & Keller, 2016).

Differentiation refers to the act of differentiating a company's offerings from the competitors' products in a way that it enables the company to generate superior customer value. This requires a company to determine the basis and means of differentiation. As Ehrlich & Fanelli (2012) put it, there are many differentiation means. While some are tangible, others can either be intangible or are embedded in the products. On the other hand, positioning refers to placing a product in the minds of the customers in a manner that it holds a clear, desirable, and unique place in comparison to rivals' products (Kotler & Keller, 2016). If a company's products are considered to be similar to competitors' products, it will be difficult for the company to attract buyers from its competitors.

Thus, companies need to be able to distinguish their products from their rivals' ones in a way that they can gain greater benefits in their target markets. And, this requires companies to identify their value proposition.

A value proposition refers to how a company produces differentiated product for target markets and what position the company aspires to hold in those market segments, or it is the entire mix of advantages on which a product is differentiated and positioned. On the other hand, a product position refers to the ways in which a product is expressed by buyers on important merits. In other words, a product position refers to a place where a product holds in the buyers' minds, or it is an intricate set of feelings, thoughts, opinions, preferences, and impressions that buyers have about the product when it is compared to rival products. Positioning needs to be based upon product's attributes that are important for the target market, differentiable from rivals' ones, sustainable, and can be communicated to the market. More importantly, it is the main source of company's brand and value, and it is a highly strategic concept that needs enormous long term investment. And, this shows the fact that marketers need to plan their products' position carefully and design their marketing mixes in a way that their products become advantageous in the target markets (Kotler & Armstrong, 2018; Ennew & Waite, 2007; Nagdeman, 2009).

Thus, this leads us to the analysis of the task of differentiating and positioning a company's product, and this task is made up of three distinct steps. These steps are finding a set of differentiating factors or competitive advantages that are used to develop a position, selecting appropriate competitive advantages, and choosing a positioning strategy. Once these steps are completed, the company needs to communicate and deliver that position to the target market as effectively as possible (Kotler & Armstrong, 2018).

It is also necessary to highlight that a company can gain competitive advantage to the extent that it is able to differentiate and position itself as one that provides superior customer value. Thus, it is imperative that a company first identifies customer value differences that give it competitive advantage and serves as a basis for positioning its offerings. As it has been stated above, this is the first step of the task of differentiating and positioning. For example, a company can provide greater customer value either by offering more benefits at competitors' price or by charging lower prices than its rivals for the same product. However, it is not possible to build strong product position overnight and on empty promises. Hence, a company needs to visibly and practically differentiate its products in order that it is able to deliver what it says it does. And, this affirms the fact that effective positioning starts with differentiation. Accordingly, a company can differentiate itself along product lines, its accompanying services, distribution channels, staff, or brand image (Kotler & Armstrong, 2018).

Once a company has identified potential differentiating factors or competitive advantages, the second step of the task follows. And, this step is represented by an act of selecting differentiating factors on which the company will plant its positioning strategy and which will enable it to stand out from the crowd of competitors. This means that the company must choose how many differentiating factors to promote and which ones. While how many competitive advantages to promote depends on the nature of the competition, which one to promote is fully dependent upon the differentiating factors' importance, distinctiveness, superiority, affordability, communicability, profitability, and preemptive -ness. Hence, a competitive advantage is worth promoting to the extent that it is distinctive, important, superior, affordable (buyers can afford it), communicable, preemptive (it cannot be easily copied by rivals), and profitable (Kotler & Armstrong, 2018).

The third step of the task of differentiating and positioning a company's product is selecting a winning positioning strategy that makes the company unique to its target market and makes it to stand out from the crowds of competitors. As it has already been stated above, the full positioning of a product or the entire mix of advantages on which a product is differentiated and positioned is known as value proposition. And, value proposition provides the reasons why buyers should buy a company's products instead of competitors' ones (Kotler & Armstrong, 2018).

Therefore, once a company has adopted a particular positioning strategy, it must act proactively to communicate and deliver it to the target market. In addition to these, the entire marketing mixes of the company needs to be congruent with its positioning strategy (Kotler & Armstrong, 2018). Furthermore, once it has successfully built a profitable position, it must take careful steps to maintain that position through consistent delivery of superior customer value and communication. It must also closely monitor that position so as to match it with the changes in the buyers' needs and rivals' strategies (Kotler & Armstrong, 2018).

2.2.2.2. Marketing Mix

As it has already been stated above, marketing mix was coined by Harvard Professor – Neil H.Borden in the late 1940s, is guided by a company's marketing strategy, and refers to tactical marketing tools that a company amalgams to generate the reaction or response it wants from its customers. It is made up of things that are under a company's control, and that the company uses them to attract buyers and deliver the intended customer value. These tools can be categorized into four distinct groups of variables that are commonly known as the four Ps – product, price, promotion, and place (Kotler & Armstrong, 2018).

Product refers to combinations of goods and services that a company presents to a target market. It essentially includes variety, quality, design, features, brand name, packaging, and services (Kotler & Armstrong, 2018). For example, a current account as one of banks' product consists of debit card, contractual agreement, bank statement, and cheque. Hooley et al. (2008) also defined product as the mix of tangible and intangible elements that represents the company's entire market offer. It is necessary to highlight the fact that product is defined by what it does for the target market than anything else. Hence, products should be seen as an answer to customers' needs or problems. This shows that customers are motivated to buy certain products when they believe that those products provide them with benefits or solutions. The other relevant issue that is worth raising it here is the fact the most products have limited life and that products exist as answers to customers' needs until better solutions are discovered (Hooley et al, 2008).

Price refers to the value buyers must pay to the seller to get the product, and it can include list price, discounts, allowances, payment period, and credit terms (Kotler & Armstrong, 2018). For example, banks charge interest on loan products they offer to their customers. These loan products include principal amount, interest charge, and terms of the loan. It is also important to note that setting price may require the company to make difficult decisions. Because, too high price means customers cannot afford it, thereby resulting in loss of customers, while too low price can prevent the company from achieving its profit target that is required for it to continue to be in the business (Hooley et al, 2008). Furthermore, there are a number of factors, including cost of production, competitors' prices, intended competitive positioning, corporate objectives, and price elasticity of demand, which a company needs to take them into consideration in setting its prices (Hooley et al, 2008).

Promotion refers to activities that have aimed at communicating eloquently and persuasively the usage of a company's products to target market so that they will buy more of the products. It involves advertising, personal selling, sales promotion, public relations, direct selling, digital selling, and sponsorship (Kotler & Armstrong, 2018; Hooley et al, 2008). For example, banks hire agents who receive sales commission to sell their credit cards to target markets. In addition to this, they use advertisement, personal selling, their website, and social media platforms to promote their products. But, it is necessary that companies select the best communication tool that matches with their marketing objectives. While public relations, sponsorship, and advertising are often better at raising awareness or increasing demand, direct selling, personal selling, and sales promotions are more effective at persuading the customers to buy the products now (Hooley et al, 2008).

Place refers distribution methods or channels that are used by a company to deliver its products to its target market (Hooley et al, 2008). It, therefore, entails distribution channels or chains, retail sales locations, transportation methods, and logistics (Kotler & Armstrong, 2018). For example, bank branches are typical means of distribution for bank products. In addition to this, internet has revolutionized how a number of products, including bank products, are delivered. As a result of this, these days, banks deliver their products through online banking, telephone banking, and their branches (Hooley et al, 2008).

It is, therefore, worth mentioning that an effective marketing program amalgams these marketing tools into an integrated marketing program that aims at achieving the company's marketing objectives by delivering superior customer value. It is also equally important to note that the four Ps do not exclude certain relevant business activities, such as services, as banking, airline, and retailing are also considered as products. Thus, the crucial issue that needs to be focused on is not the number of the Ps. The focus should rather be on the type of framework that is most useful in designing and implementing an effective marketing program. With regard to this, the four Ps framework is highly inclusive, useful, and effective marketing strategy implementation tool (Kotler & Armstrong, 2018).

2.2.3. Product Strategy

As it has already been stated in the earlier part of this thesis, product refers to anything that can be presented to a target market for acquisition, consumption, or use or in order to satisfy customers' needs. It includes both tangible and intangible goods, such as events, places, services, experiences, information, ideas, warranties, guarantees, labels, and packages (Kotler & Keller, 2016). Thus, product does not just refer to cars, phones, or cloths as it also refers to all forms of services, including financial advice. In addition to this, it is worth highlighting that services include benefits, activities, experiences, or satisfaction that are presented for sale, intangible in essence, and that do not often enable the customer to own something that is tangible. For example, banking service or airline travel (Kotler & Armstrong, 2018).

Product strategy is the fundamental part of a marketing strategy, and requires marketers to make crucial decisions about brands, individual products, product lines, product mixes, labeling, and packaging (Kotler & Armstrong, 2018; Kotler & Keller, 2016; Ennew & Waite, 2007).

Furthermore, as it has been stated in the earlier part of this thesis, product is one of "*the tactical tools that marketers use to implement their strategies, engage customers, and deliver superior customer value*" (Kotler & Armstrong, 2018, pp. 242). Hence, decisions that marketers make about a product are both strategic and tactical in nature (Ennew & Waite, 2007).

Important decisions that are related to the creation and marketing of individual products are product quality, features, style, design, branding, packaging, labelling, logos, and product support service (Kotler & Armstrong, 2018). A brand refers to "*a name, term, sign, symbol, or design or a combination of these that identifies the maker or seller of a product or service*" (Kotler & Armstrong, 2018, pp. 250), and it adds customer value. Product support service is another important component of a product strategy as it constitutes customers' entire brand experience (Kotler & Armstrong, 2018). For example, decisions that banks make about their logos, names, features, product designs, terms of agreement, and product support services are important part of the decisions they make about their individual products.

Decisions that marketers make about their product lines are also part of their product strategy. A product line refers to a bundle of products that are highly related to each other as they perform similarly, are sold to the same market segments, are communicated and distributed through the same channel, and included into the same price brackets (Kotler & Armstrong, 2018). For example, banks sell their various credit cards to the same customer groups. A decision that a company makes about its product mix is also part of its product strategy. A product mix or a product portfolio refers to the entire product lines and items that the company offers to its target market (Kotler & Armstrong, 2018). For example, banks offer a mix of various credit cards, debit cards, online banking, telephone banking, investment advices, and product support services to their market segments.

Furthermore, marketers need to be aware of the fact that products have three distinct layers that add customer value at each level. The first layer is known as the core customer value. It is the most basic level of a product, and answers questions, such as: What is a buyer actually buying? Thus, marketers need to first state the fundamental and essential benefits that customers want when they design a product (Kotler & Armstrong, 2018; Ennew & Waite, 2007). For example, customers who have saving accounts at a bank get more than saving accounts. Because, these customers essentially buy financial security. The second level is where a product's name, design, qualities, features, and package are combined so as to convert the core value into an actual product. And, this level is known as actual product (Kotler & Armstrong, 2018; Ennew & Waite, 2007). For example, saving account, deposit, interest income, debit card, bank statement, and customer service are combined to deliver the core value of financial security to the customer. The third layer of a product is called augmented product, and refers to additional benefits that companies use to augment the core customer value and the actual product so that their product become distinct from the competitors' products (Kotler & Armstrong, 2018; Ennew & Waite, 2007). For example, banks might offer special customer service to their saving account holders who have saved beyond certain threshold. It is also important to note that this is the stage or level at which companies are able to achieve competitive advantage through differentiation (Ennew & Waite, 2007).

Therefore, when marketers design a product, they need to first establish the core consumer value that customers want to get from the product. Then, they need to decide on how they can design the actual product and augment it with special features and services so that they are able to create superior customer value that leaves the customer with impressive and memorable brand experience (Kotler & Armstrong, 2018).

Financial sector customers can be classified into personal, institutional, and corporate customers. While personal customers can be divide into high net-worth and low net-worth customers, corporate customers are normally divided into large, medium, and small companies. It is also worth noting that these classifications have their own financial need implications (Ennew & Waite, 2007). Hence, financial service marketers need to take these facts into consideration when they design their product strategy.

In addition to these, it is important to highlight the fact that Islamic financial products satisfy the same financial needs as conventional financial products. But, their difference lies on the Islamic financial products' avoidance of interest payment and their dependence on a method which is quite similar to equity-based finance that entails sharing of the risk by both parties. Thus, marketers of Islamic financial products need to be able to understand this fact and increase customers' confidence about the products by convincing them that this risk is very low (Ennew & Waite, 2007).

It is also necessary that marketers recognize the fact that in service businesses, including in banking, customers and the front-line staff interact to create the product or service, and that the impact of this interaction upon the customers' satisfaction and the companies' performance is enormous (Kotler & Armstrong, 2018). As a result of this, service companies need to excel not only in external marketing, but also in internal as well as interactive marketing. While internal marketing refers to the fact that all the staff of the companies should be customer oriented, interactive marketing refers to the fact that service quality is highly dependent upon the quality of the interaction between the front-line staff and the customer (Kotler & Armstrong, 2018).

2.2.4. Pricing Strategy

Price is the values that buyers pay to get the benefits of a product or service, the most flexible component of the marketing mix, and the only part of the marketing mix that yields income unlike the remaining marketing mix constituents, such as product, promotion, and place (Ennew & Waite,

2007; Kotler & Armstrong, 2018; Kotler & Keller, 2016). On top of this, a company's price shows or signals its product's and company's positioning (Kotler & Keller, 2016; Harrison & Estelami, 2015). In other words, the three components of the marketing mix aim at creating customer value, while price constitutes the company's effort to earn value in the form of profit and market share. Thus, "*if effective product development, promotion, and placement sow the seeds of business success, effective pricing is the harvest*" (Nagle & Muller, 2018, pp. 1; Kotler & Armstrong, 2018, pp. 306). In addition to this, pricing is the most challenging part of the marketing mix as the companies' ability to set a price is continuously fluctuating due to continuous changes in "*technology, regulation, market information, consumer preference*," or cost of production (Nagle & Muller, 2018, pp. 1). It is also worth noting the fact that ineffective pricing strategy can hinder the company's entire efforts from coming to fruition (Kotler & Armstrong, 2018; Ennew & Waite, 2007).

This shows the strategic importance of pricing in "*creating and capturing customer value*" and in achieving profit and market share targets (Kotler & Armstrong, 2018, pp. 308). While a product's ceiling price is set by the market's perception of the product's overall value in comparison to the competitors' products, its floor price is set by its total cost. Thus, companies need to take into consideration a number of internal and external factors, including their marketing strategy and mix, their competitors' strategies and prices, the nature of market and demand, price elasticity of demand, the state of the economy, regulations, their cost, customer value-perception, and so on, in setting their price in between these two ends of the price.

It is also useful to note the three major pricing strategies that applies to all companies – i.e. "*customer value–based pricing, cost-based pricing, and competition-based pricing*" (Kotler & Armstrong, 2018, pp. 309). Customer value-based pricing is a pricing method that sets price on the basis of consumers' view or estimate of the product's value than its cost. It is the most effective customer-centered pricing method as it attempts to capture customers' value through the understanding of the buyers' perception of the product's value (Kotler & Armstrong, 2018). On the other hand, cost-based pricing is a cost-driven pricing method that sets price on the basis of the product's cost of production, distribution, and selling, and the required profit margin (Kotler & Armstrong, 2018, pp. 313). Competition–based pricing is the third pricing method, and sets prices on the basis of "*competitors' strategies, costs, prices, and market offerings*" (Kotler & Armstrong, 2018, pp. 317)

Even though pricing is generally a complex issue for financial institutions (Ennew & Waite, 2007), banks are free to set their deposit and loan interest rates. But, they need to take into consideration their central bank's policy, inter-bank interest rate, and market's interest rates in doing so (Furhmann, 2021). On top of these, banks may set their fees or charge their customers for accounts maintenance, international money transfer, use of other banks' ATM, late payments, bouncing cheques, none-sufficient funds (NSF), overdraft, and so on (Kenton, 2020).

Furthermore, it is necessary to differentiate the implicit and explicit prices that financial institutions charge their customers (Ennew & Waite, 2007). For example, fees for withdrawing from other banks' ATM, none-sufficient fund penalty, or annual subscription fee for the use of a credit card represent an explicit form of bank charges. And, banks are able to influence their customers' usage or behavior by setting differential charges for different services. On the other hand, a bank that offers "*free current account, but pays no interest on the credit balances*" is implicitly charging the customer as the bank earns an amount that is equal to the opportunity cost of its customers' credit balances (Ennew & Waite, 2007, pp. 231).

2.2.5. Distribution Strategy

Distribution or marketing channel is a part of one company's "*customer value delivery*" system (Kotler & Armstrong, 2018, pp. 369), and refers to a set of related entities that make a product or service available to the consumer (Kotler & Armstrong, 2018; Kotler & Keller, 2016). Thus, effective distribution strategy and channel enable a company to create superior customer value and serve as a major source of competitive advantage. And, this highlights the fact that one company’s distribution channel is critical for its success (Kotler & Armstrong, 2018).

Even though financial service distribution strategy is concerned with how to deliver financial products to the customer at a time and location that are suitable for the customer and at lower costs, it is important to recognize the implications of financial services’ unique characteristics for their distribution strategy. For instance, the intangibility of financial services means that financial services cannot have the logistics part of the supply chain. In addition to this, the perishability of financial services makes warehousing and inventory management unnecessary (Ennew & Waite, 2007).

Nonetheless, there are a wide range of financial service distribution channels, including bank branches, supermarkets, post offices, telephone banking, and online banking. Current branch designs show the emphasis banks have placed on ensuring “*customer-friendly environment*” by giving greater space to customers. This means that bank branches currently uses open layouts, are decorated with distinct features that magnify their corporate identities, have seats and broachers for their customers, and their floors are partitioned in accordance with the type of banking services that they provide (Ennew & Waite, 2007, pp. 259). Thus, branches are important part of financial institutions’ distribution strategy and channel. But, if they are located at wrong place, they can result in significant waste of resources (Meidan, 1996). And, this highlights the fact that branch location is very important in retail banking, and that banks need to choose branch locations that are reachable by their target markets and are amenable to their positioning (Kotler & Armstrong, 2018).

Banks have been increasingly turning to electronic means of financial distribution in order to improve the efficiency of their branches and to expand their services to remote areas. As part of this effort, ATM (Automated Teller Machine) was introduced in 1968 in the UK by Barclays Bank (Meidan, 1996). As banks have since recognized the strategic importance of ATM for their competitiveness, they have made it the major part of their distribution channel. An estimate that was made in the past posited that one ATM on average saves a labor cost equal to 1.33 staff (Meidan, 1996). Banks also use a number of retail outlets, such as supermarkets, and post office as part of their distribution channel (Ennew & Waite, 2007). In addition to these, telephone banking and online banking have proven to be an effective and efficient means of banking. Most importantly, digital banking has resulted in a number of customer benefits, including greater access and convenience (Ennew & Waite, 2007), and it will likely to grow "*rapidly in markets, like Italy, Spain, and the United States*" (Bensley et al, 2020, pp. 1).

As a result of these benefits, a number of successful companies use multichannel marketing (i.e. two or more distribution channels) to deliver their products to their target markets (Kotler & Keller, 2016; Ennew & Waite, 2007), thereby making multichannel marketing strategies their dominant distribution strategies (Ennew & Waite, 2007). For example, for a typical high street retail bank, a multichannel marketing strategy constitutes of its branches, ATMs, online banking, and telephone banking (Ennew & Waite, 2007). The main advantage of multichannel marketing strategy is that each distribution channel can be used to target different market segments or to address different market needs by delivering the products in the right manner, at the lowest cost, at the right time, and at the right place (Kotler & Keller, 2016).

It is also necessary to recognize the fact that marketing channels are more than just a collection of companies that are anchored together by a thread to deliver products to the target market. They are rather a "*complex behavioral systems in which people and companies interact to accomplish individual, company, and channel goals*" (Kotler & Armstrong, 2018, pp. 362). So, a distribution channel is made up of companies that work together for a common benefit as each company or member of the channel relies on the others (Kotler & Armstrong, 2018). For example, a bank branch manager relies on the bank's executives to design a loan term that is attractive to the customers. In addition to this, it is important to note the fact that each branch competes against another bank's branches, and that the success of one bank's branch is highly influenced by the success of the bank's entire branches. Hence, all bank branches need to recognize their responsibility towards their customers and their bank, and need to collaborate with one another in an effective and efficient manner for the success of their bank.

On top of this, banks need to consider adopting a horizontal marketing strategy, which refers to a marketing channel in which two or more unrelated companies, including competitors, joins forces to pursue or to take advantage of a new business opportunity (Kotler & Armstrong, 2018; Kotler & Keller, 2016). This kind of distribution strategy is highly useful, especially when the companies lack the necessary capabilities to venture alone or when the risk of adventuring alone is too high (Kotler & Keller, 2016). And, banks often use horizontal marketing channel to conduct inter-bank transactions and to enable customers to use point-of-sale (POS) terminals at supermarkets, bars restaurants, and petrol stations.

2.2.6. Communication Strategy

Marketing communication is a means by which companies communicates their products' merits or benefits to their customers and build a profitable relationship with them (Kotler & Keller, 2016). This shows the fact that marketing communication has a central role in engaging customers and building a lasting relationship with them. Because of this reason, companies need to plan their communication tools and blend them carefully into an integrated marketing program (Kotler & Armstrong, 2018).

The five major marketing communication mix or tools are advertising, sales promotion, personal selling, public relations, and direct and digital marketing. While advertising refers to any paid form of none-personal promotion of products or ideas on newspaper, magazine, radio or TV, sales promotion refers to temporary incentives, such as coupons, allowances, discounts, or deals that companies offer to their customers so as to encourage them to buy more products now. Personal selling involves face-to-face or personal interactions between the companies' employees and their customers in order to sell to them the products and establish a profitable relationships them; and, it includes trade shows and sales presentations. Public relations (PR) refers to any attempt that companies make to build good relationships with their entire stakeholders so as to promote and protect their corporate image; and, it includes sponsorships, events, or press release. Direct and digital marketing refers to direct communication and engagement that companies make with target market in order to stimulate sales or promote their products and corporate image. It includes, coldcalling, direct mail, social media marketing, or email marketing (Kotler & Armstrong, 2018).

However, it is necessary to recognize the fact that taking advantage of these rich communication tools and implanting a distinct brand experience or image in the minds of the target customers requires synchronizing these promotional tools carefully and methodologically (Hart, 1999; Kotler & Keller, 2016). And, this calls for the adoption of Integrated Marketing Communication (IMS)

- which refers to systematically blending and synchronizing the company's promotional tools so as to deliver a clear, coherent, consistent, and convincing message about the company and its brands (Kotler & Armstrong, 2018; Ennew & Waite, 2007).

Integrated marketing communication entails establishing the target market and designing a wellsynchronized marketing communication program that aims at eliciting the desired response from the consumer, i.e. stimulating purchase of the company's products (Kotler & Armstrong, 2018).

Thus, developing effective marketing communication requires marketers to "*identify the target audience, determine the communication objectives, design a message, choose the media through which to send the message, select the message source, and collect feedback*" (Kotler & Armstrong, 2018, pp. 432).

On top of these, marketers need to understand factors that influence the choice of marketing communication tools or factors that shape the overall promotion mix. The two main factors that influence this choice are the nature of each promotional tool and promotion mix strategies. For example, advertising can be used to reach huge audiences who are geographically dispersed at a low cost per advertisement, and can be utilized to build a long term identity for a product and to trigger immediate purchase of a product. However, advertising is not personalized and lacks the benefits of face-to-face interactions. On the other hand, sales promotion is effective at engaging consumers and attracting their attention, though its effect is short term and is not good at building long-term brand loyalty. Personal selling is highly effective at building customer relationships and brand preference. It is also good at triggering quick buyers' response, but it is the most expensive marketing communication tool. Public relations has the advantage of sounding real as it involves news and events. Direct and digital marketing is highly effective at targeting consumers, creating customer interaction or engagement, and building customer relationships (Kotler & Armstrong, 2018).

With regard to promotion mix strategies, marketers are able to choose from the two basic marketing communication mix strategies – i.e. pull and push marketing communication mix strategies. But, the most relevant promotion mix strategy for financial service companies is pull strategy as it directs the marketing activities of the companies towards the consumers so as to persuade them to purchase the product. For example, banks' advertisements or sales promotions directly aim at the consumers. Finally, marketers must take steps in accordance with their company's communication strategy to make sure that the various marketing communication mix elements of their company are well-synchronized, and convey the company's unique brand positioning in a consistent and socially responsible manner (Kotler & Armstrong, 2018). Thus, a well-crafted and executed integrated marketing communication has a direct relationship with the company's performance, and is expected to "*improve the company's ability to reach the right customers with the right messages at the right time and in the right place*" (Kotler & Keller, 2016, pp. 601).

2.2.6.1. Mass Communication Strategy

Advertising is a typical mass communication tool that is paid for and none-personal, and can be a cost-effective way of publicizing information, building a brand, and educating people (Kotler & Keller, 2016; Meidan, 1996). It includes newspaper, magazine, radio, and TV advertisements (Ennew & Waite, 2007; Harrison & Estelami, 2015). And, it is one of the most popular promotional tools in financial services due to its capability to reach huge number of audiences at a low cost. But, the intangibility of financial services leaves marketers with little things to demonstrate in their advertisements (Ennew & Waite, 2007). In addition to these, it is important to note the fact that advertising of financial products is highly regulated in different part of the world due to its potential to mislead the public (Ennew & Waite, 2007; Ehrlich & Fanelli, 2012). Nonetheless, regardless of the type of the advertisements that marketers use, they need to make their advertisements appear as tangible as possible, reduce consumers' perceived risk, be open, earn customers trust, and build customers' confidence (Ennew & Waite, 2007). Hence, the main role of an advertisement is to connect a company to the target market, influence consumers' views about the company and its products, persuade them to be the company's next customers, build a brand, and maintain market share (Nagdeman, 2009; Ehrlich & Fanelli, 2012).

The four important decisions that marketers need to make when they craft an advertising program are "*setting advertising objectives, setting the advertising budget, developing advertising strategy (message decisions and media decisions),* and *evaluating advertising effectiveness* (Kotler & Armstrong, 2018, pp. 452). These four decisions are also known as the five Ms of advertising – i.e. mission, money, message, media, and measurement (Kotler & Keller, 2016). Thus, the first step in crafting an adverting program is to establish advertising objectives; and, these objectives need to be dictated by the decisions that companies make about their target markets, product positioning, and their marketing mix. Nonetheless, it is necessary to remember the fact that the central objective of an advertising is to communicate customer value, stimulate customer engagement, and build enduring and profitable relationship with them. To this end, which is on the basis of its primary purpose, an advertising objective can be categorized into three main groups – i.e. to inform, persuade, or remind.

While informative advertising is suitable to introduce a new product or a product line to the target market so as to build demand for the product, persuasive advertising is used as the product moves to the next stage of its life cycle. Reminder advertising becomes important as the product reaches its mature stage so as to maintain customer relationship by making the customer to think about the product. For example, Barclays Bank's expensive television advertisement aims at building and maintaining customer relationship than informing or persuading them (Kotler & Armstrong, 2018).

Decisions about advertising budget for each product or product line are made once the advertising objective is set (Kotler & Armstrong, 2018). Then, marketing managers need to craft their advertising strategies – the means by which companies achieve their advertising objectives. A company's advertising strategy entails creation of advertising messages and selection of advertising media. It is also necessary to recognize that both elements are equally important (Kotler & Armstrong, 2018).

Public relations (PR) is another mass communication tool that is used to promote a company's image or products, its activities, nations, ideas, and so on; and, it involves activities that aim at engaging various stakeholders of a company and at building a good relationship with them (Ennew & Waite, 2007). It includes press release, product or brand publicity, public affairs, lobbying, investor relations, and development relations or working with donors (Ehrlich & Fanelli, 2012). It is often put to use in order to publicize "*newsworthy company events and actions*" (Kotler & Armstrong, 2018, pp. 470). And, it does this "*at a much lower cost than advertising*" which can cost millions of dollars per advertisement (Kotler & Armstrong, 2018, pp. 471). Despite its magnificent benefits, it is sometimes dubbed "*as a marketing stepchild*" due to its scattered and limited utilization by marketers (Kotler & Armstrong, 2018, pp. 471).

Nonetheless, as it is the case with the rest of promotion tools, marketing managers need to think strategically as to when and how to use public relations. Accordingly, they need to set public relations objectives, select public relations messages and means of communications, implement their public relation plan, and assess its outcomes as objectively as possible (Kotler & Keller, 2016). On top of these, they need to make sure that their companies' public relations efforts are well synchronized with the rest of their companies' promotion tools within their companies' integrated marketing communications framework (Kotler & Armstrong, 2018).

Sales promotion constitutes temporary inducements, such as coupons, benefits tied a product purchase, discounts, lottery prizes, allowances, and so on, that aim at stimulating immediate sales of a product (Ennew & Waite, 2007; Meidan, 1996). While both adverting and sales promotion provide the buyers with the reasons why they should buy a product, sales promotion differ from advertising in telling the buyers why they should buy it now (Kotler & Armstrong, 2018, pp. 496). In other words, while advertising provides buyers with a reason to buy a product, sales promotion goes beyond that and gives them an inducement to buy it now (Kotler & Keller, 2016). In financial services, sales promotion is being cited as demand-pull promotion strategy as it offers consumers with a direct and immediate incentive to buy a product (Ennew & Waite, 2007).

There are a number of reasons behind the fast growth of sales promotion in retail markets (Ennew & Waite, 2007). Some of these reasons are that marketers see sales promotion as an effective immediate sales stimulator, rival companies use sales promotion as a means of differentiation, sales promotion is increasingly being seen as a substitute for advertising, customers are attracted to deals, and sales promotion is being seen as an effective means of attracting thrifty consumers (Kotler & Armstrong, 2018).

However, the widespread use sales promotion is causing "*promotion clutter*" - the problems of being ineffective or failing to trigger immediate sales as a result of being used excessively by a large number of companies. Because of these reasons, companies are being forced to find ways to "*rise above the clutter*" by offering large discounts or coupons or allowances or by offering these promotions in a very dramatic manner through mobile phone or internet (Kotler & Armstrong, 2018, pp. 497). Nonetheless, it is necessary to note that sales promotion has the capacity to stimulate short term sales and build long term customer relationships if it is designed and utilized appropriately (Kotler & Armstrong, 2018). And, this shows that sales promotion has a crucial role in the overall marketing communication mix (Kotler & Keller, 2016).

Hence, marketers need to use it appropriately by defining its objectives, choosing the best sales promotion tools, crafting sales promotion program, implementing the program, and assessing its results (Kotler & Keller, 2016). Furthermore, they need to synchronize it methodologically with the remaining marketing communication mix elements within the wider integrated marketing communication (IMC) framework (Kotler & Armstrong, 2018).

2.2.6.2. Personal and Direct Communication Strategy

Personal selling is one of the main personal communications methods, the interpersonal part of the marketing communication mix, and entails personal interactions that a company's sales force makes in order to engage customers, conduct sales, and maintain a long term profitable relationship with them (Kotler & Armstrong, 2018). It can include face-to-face communications or communications that are conducted over the phone, by email, on social media, or through other communication means. It is a preferred means of communications for sales that require understanding of complex situation, negotiation, or direct interaction between the customer and the sales force (Kotler & Armstrong, 2018). Because of this reason, it is the most common means of communications for financial services that deal with corporate customers and complex individual financial transactions (Ennew & Waite, 2007).

The sales people represent a vital link between a company and its clients. On the one hand, they sell the company's products to the customer by engaging them, learning about their needs, answering their queries, negotiating prices and terms with them, closing sales, and building a lasting relationship with them. On the other hand, they act as "*champions of customers' interests*" within a company and present customers' worries and queries to those who handle such matters within the company so as to ensure the creation of better customer value (Kotler & Armstrong, 2018, pp. 481). Thus, sales people have double-edged role in building customer value-driven relationships that positively impact on the company's performance (Kotler & Armstrong, 2018; Kotler & Keller, 2016).

As a result of this, companies need to make sure that their sales people are part and parcel of their marketing team and both work very closely with each other as members of the same function (Kotler & Armstrong, 2018). In addition to this, the sales people need to be aware of personal selling process, which includes "*prospecting and qualifying, pre-approach, approach, presentation and demonstration, handling objections, closing, and follow-up*" (Kotler & Keller, 2018, pp. 493). While prospecting and qualifying refers to pin-pointing potential clients who are expected to respond positively to the sales people, pre-approach refers to gleaning as much information as possible about potential customers prior to contacting them for sales (Kotler & Armstrong, 2018). Then, the sales people approach the customers to make presentation of the company's value to them and to handle and overcome any of their concerns, questions, or objections. Finally, the sales people close the sales, which means that they ask the customers if they need to place an order, and make a follow-up after sales are completed so as to make sure that customers have obtained value for their money, they are satisfied, and to build long term profitable relationship with them (Kotler & Armstrong, 2018).

Direct or direct-mail marketing is a typical form of direct communication and distribution, and refers to the utilization of direct means in order to reach out to target customers and deliver products without involving marketing distribution channels (Kotler & Armstrong, 2018). It is a useful means of building long-term relationships with clients, and it entail sending greeting cards, brochures, magazines, premium, discount cards, and offers or contents that are tailored to meet the needs of narrow market segments or selected consumers (Kotler & Armstrong, 2018). Direct marketers use a number of methods, including telemarketing, direct marketing, and catalog marketing, to reach out to prospective and existing clients (Kotler & Keller, 2016). While direct or direct-mail marketing refers to the practice of dispatching reminders, deals, offers, announcements or other things directly to selected prospective and existing customers, catalog marketing is about sending out catalogs to the target market. On the other hand, telemarketing refers to the practice of phoning prospective or existing customers in order to sell to them the company's products or to lure them so that they become the company's next customers (Kotler & Keller, 2016, pp. 659 – 660; Kotler & Armstrong, 2018, pp. 528 - 530).

2.2.6.3. Digital Communication Strategy

Digital and social media marketing uses email, website, social media, mobile advertisings, mobile applications, videos, blogs, and other digital stages or networks to engage with customers in real time on their desktops, tablets, smartphones, or other digital devices. In this fast moving century, digital devices and social media have changed the customers' life for better. Customers have been empowered more than ever to be able to access products' information, compare prices, and interact with brands. These in turn have provided marketers with new opportunities so as to be creative about the way they market their products, especially when they try to create customer value, engage with customers, and build long-term relationship with them (Kotler & Armstrong, 2018).

As a result of this, many companies are marketing their products online. Some of them, including Amazon.com, Expedia.com, and so on, are even moving their entire operation to online. In other words, in this digital world, it is increasingly becoming difficult to find any company that does not have a major online business activity (Kotler & Armstrong, 2018).

Digital and social media marketing, includes mobile marketing, online marketing, and social media marketing. Online marketing refers to a form of marketing that is conducted through internet by using a company's website, email, other online marketing communications tools, online video, and blogs (Kotler & Armstrong, 2018). Creating attractive website is the first step in any online marketing. However, attracting the public to a website is something else. Because of this reason, companies need to do more, including promoting their website through other media and linking it with other websites, in order to attract buyers to it. The major secret that lies behind having a large of number of online visitors is to have a website that is appealing, engaging, easy to navigate, useful, and offers values. Hence, effective website contains useful information, interactive tools that are appealing and engaging, links to other useful websites, promotional offers, and entertaining features (Kotler & Armstrong, 2018).

While online advertising refers to advertisings that pop-up when buyers browse a website, email marketing refers to the practice of dispatching highly personalized marketing message by email to selected customers or buyers in order to build profitable business relationship with them (Kotler & Armstrong, 2018). On the other hand, viral marketing is "*the digital version of word-of-mouth marketing*", and entails creating videos, advertisements, and other online marketing information that are so attractive to customers in such a way that they are compelled to share them online with their friends (Kotler & Armstrong, 2018, pp. 519; Kotler & Keller, 2016). Blogs are another useful tool of online marketing, and refer to online forums where consumers and companies post their thoughts and reactions about brands or products. They are useful means of entering into online and social media conversations with consumers and others. And, they can be a valuable source for original, personal, and fresh consumers' opinions and thoughts (Kotler & Armstrong, 2018).

Social medial marketing is another very useful digital marketing tool (Kotler & Keller, 2016). The wider access to internet, digital technologies, and other digital devices has produced an astounding range of online social media platforms and digital communities. And, existing social media platforms that most companies use them and link them to their websites are Facebook, Twitter, Instagram, Snapchat, YouTube, and so on (Kotler & Armstrong, 2018). The use of social media provides companies with benefits as well as challenges. Social media fits well into companies' marketing strategies as they enable companies to tailor and share product or brand contents online with the target market and individual consumers. Their interactive features make conversations with consumers very easy. They have also made real-time marketing and consumer engagement possible and cost-effective as companies are using them to reach out to millions of consumers in real time (Kotler & Armstrong, 2018). However, it is also necessary to recognize that social media presents companies with its own challenges. First, as social media marketing is a new phenomenon or marketing tool, a lot of companies are still on the learning curve of how to use them effectively. Secondly, social media is largely users controlled. Thus, companies need to market their products or brands tactfully without being construed as intruders into the consumers' online conversation. In addition to this, companies need to tactfully blend their social media marketing efforts with their other marketing communication mix (Kotler & Armstrong, 2018).

Mobile marketing refers to the marketing practice of sending marketing information, advertisements, promotions, and offers to consumers by a text message via their mobile or smart devices (Kotler & Keller, 2016). And, this enables marketers to engage with consumers at anytime and anywhere. However, marketers need to use mobile marketing tactfully and responsibly as most people do not like to be pestered by advertisements that bring them no or little benefit. Thus, they need to be smart marketers, and should provide consumers with offers and information that are genuine (Kotler & Armstrong, 2018).

2.2.7. Customer Relationship Strategy

Customer relationship (CR) strategy or customer relationship management (CRM) strategy is a strategic approach that enables a company to select customers that it can profitably serve and to shape its interaction with those customers. Its main goals is to maximize "*the current and future value of customers for the company*" (Kumar & Reinartz, 2018, pp. 5). And, a customer value, which is a critical concept for CRM, refers to the economic value of the customer relationship to the firm, and is expressed in terms of a contribution or profit margin (Kumar & Reinartz, 2018).

However, financial companies are often accused of luring customers into unsustainable deals or offers that they initially offer them at a much lower price. But, this is not to say that financial companies should not use promotional prices. They have full rights to use them. The issue that they should understand is that they need to adopt ethical marketing practices so that their customers can fully understand the long-term consequences and benefits of the product they buy. For example, consumers who buy a credit card from a high street bank may only understand its short term interest rate, and may not be on the position to understand its long term cost (Ennew & Waite, 2007). Thus, financial companies need to make sure that their customer acquisition strategies are ethical. In other words, financial companies' customer acquisition strategies should be grounded on building mutually beneficial long term customer relationships (Ennew & Waite, 2007).

In addition to this, financial companies need to have a clear and ethical customer retention strategies and policies. One of the cost-effective ways of retaining existing clients is by supporting them during difficult periods, such as a temporary period of unemployment. Nonetheless, customer defections that are driven by competitors' fierce competition is challenging, and requires special actions, such as addressing the causes of their defection by offering better customer value. Hence, financial companies need to guide their customer retention efforts by a useful principle that it is cheaper to keep existing clients than to attract new ones. In addition to these, financial companies need to recognize the fact that all of their existing customers might not be profitable. This means that financial companies need to conduct analysis of customers' lifetime values and handle them accordingly as the challenge they face is not just about retaining clients, but it is about retaining profitable ones. Furthermore, companies need to always remember that the secret of retaining of existing customer lies behind the provision of excellent and superior customer value (Ennew & Waite, 2007).

The idea of lifetime customer value is at the center of the notion of keeping and nurturing customer relationships as it entails considerations of customers' profitability over extended period of time. This shows the fact that the assessment of customers' lifetime value enables companies to retain customers on the basis of their long term profitability. Thus, it is obvious that effective customers' retention strategies are those that are based on strong customers' lifetime value model (Ennew & Waite, 2007).

2.2.8. Sustainable Marketing Strategy

Sustainable marketing refers to the marketing practices that are socially and environmentally responsible and meet the current demands of companies and consumers while conserving or enhancing the future generations' capacity to meet their wants (Kotler & Armstrong, 2018; Kotler & Keller, 2016). And, sustainable marketing practices are beyond the right thing to do as they have enormous benefits in addressing the current as well as the long-term interests of the society and businesses (Kotler & Armstrong, 2018). Thus, sustainable marketing strategy refers to the means by which companies achieve their marketing goals while enhancing or persevering the future generations', including businesses, ability to meet their needs (Martin & Schouten, 2014).

Sustainable marketing differ from the marketing concept, societal marketing concept, and strategic planning concept as it considers the current and the future needs of both the consumers and businesses. The marketing concept states that companies succeed by identifying the current needs of the target market and by fulfilling them in a better way than competitors do. Thus, unlike sustainable marketing, the marketing concept is focused on short-term companies' performance and consumers' needs. But, satisfying the current needs of the consumers alone does not always serve the best interests of the future generations. On the other hand, while the societal marketing concept attempts to address the future needs of consumers, the strategic planning concept considers the future interests of companies alone (Kotler & Armstrong, 2018).

As it has already been stated above, sustainable marketing attempts to address the current as well as the future needs of the society. And, this requires the existence of a well-functioning marketing framework within which businesses, buyers, governments, and others work together so as to ensure environmentally and socially responsible marketing practices (Kotler & Armstrong, 2018).

As a result of this, there have been two major grassroots movements – consumerism and environmentalism – that have arisen to keep companies in line with the society's needs. While consumerism refers to an organized movements of citizens and others so as to protect the rights of consumers, environmentalism is an organized movements of citizens and others to conserve or preserve the environment for the future generation while enabling companies to operate profitably (Kotler & Armstrong, 2018). Consequently, companies need to adopt pollution prevention practices and socially responsible business strategies, including designing and creating environmentally safer products, recyclable products and packages, energy efficient operations, cost effective pollution controls measures, cost reduction strategies, fair pricing, honest business practices, honest advertising, avoiding price fixing and anti-competition acquisitions, and so on (Kotler & Armstrong, 2018).

Generally, companies need to guide their marketing practices by five sustainable marketing principles, such as "*consumer-oriented marketing, customer value marketing, innovative marketing, sense-of-mission marketing, and societal marketing*" Kotler & Armstrong, 2018, pp. 613). While consumer-oriented marketing represents the marketing practice that companies need to put their utmost efforts to satisfy their target markets' current and future needs, customer-value marketing refers to building long-run consumer loyalty, engagement, and relationships by offering continuous superior customer value. Innovative marketing practices means that companies should continue to find better ways of creating customer value. Sense-of-mission marketing requires companies to define their "*missions in broad social terms rather than narrow product terms*" (Kotler & Armstrong, 2018, pp. 614). On the other hand, societal marketing refers to marketing practices that require companies to consider consumers' current and long-term needs or interests, their own interests, and the wider society's long-term interests (Kotler & Armstrong, 2018).

In addition to these, it is necessary to recognize the fact that ethical marketing practices are the bedrock of sustainable marketing as unethical marketing practices harm customers', society's, and businesses' long term interests. Furthermore, unethical marketing practices jeopardize companies' effectiveness, efficiency, reputations, and ability to survive (Kotler & Armstrong, 2018). Hence, sustainable companies are those companies that endeavor to meet consumers' needs through environmentally, socially, and ethically responsible marketing practices, or companies that strive to achieve shared values and triple bottom lines, such as people, planet, and profit. And, this shows the fact that sustainable marketing strategy has direct relationship with customers' satisfaction and companies' competitiveness and survival (Kotler & Armstrong, 2018; Kotler & Keller, 2016).

2.2.9. The Mediating Role of Customer Satisfaction

Customer satisfaction can be conceptualized as a measurement of how products that are presented to a market by a company meets or exceeds customers' expectation (Wikipedia, 2022). It is a multidimensional concept that reflects customer's evaluation of "*the consumption experience*" that is developed via some sort of mental process and entails certain kind of judgment about what has been experienced in comparison to what was anticipated (Ennew & Waite, 2007, pp. 338). And, many studies show that there is a direct and causal relationship between a company's performance and its customers' satisfaction. For example, Dougan (2004) states that a bank can only grow in today's marketing environment when it manages to satisfy its customers' needs. And, this highlights the mediating role of customer satisfaction in the relationship between companies' marketing strategies and their performance. Ennew & Waite (2007) also confirm the same fact that a company can only achieve its performance goals when it satisfies its customers' needs.

Furthermore, it is necessary to recognize the fact that there is no conflict between the long term interests of a company's shareholders and its customers' interests. In other words, there is an alignment between the long term interests of shareholders and customer satisfaction. And, a problem often occurs when marketers try to satisfy the short-term needs of a company at the expense of customer satisfaction or when they unreasonably reduce prices at the expense of the long term interests of the shareholders. Thus, companies that fail to satisfy their customers' needs or fail to consider the long term interests of their shareholders will eventually be forced out of a business (Ennew & Waite, 2007).

As it has already been stated, a delivery of superior customer value, which is the main objective any company's marketing plan, results in customer satisfaction, which in turn yields increased company's performance through increased purchase of the product. Hence, given that customer acquisition and retention are the main goals of any marketing, it is obvious that the success of one company should be judged on how well it satisfies its customers' needs. And, it is not appropriate to depend on level of turnover or sales volume as a proxy determinant of customer satisfaction (Ennew & Waite, 2007).

In addition to these, companies need to recognize the fact that customers are the main referee of quality, value, and satisfaction. As a result of this, it is important that companies have strategies that enable them to manage customer perceptions and expectations. This means that companies need to understand and anticipate the values and beliefs of each customer as these shape customers perceptions and expectations. Furthermore, they need to understand that customer expectations can fluctuate with the customer's personal situation. For example, a customer who has lost a debit card might have high expectations about the speed with which their card can be replaced, while others who are struggling with their mortgage might expect their bank to be flexible about the repayments (Ennew & Waite, 2007).

2.3. Empirical Literatures Review

2.3.1. Effects of Marketing Strategy on Companies' Performance

Literatures have been mistakenly treating marketing strategy and marketing mix or the 4Ps as something that are the same. As a result of this, they have been presenting marketing strategy as something that involves segmentation, targeting, differentiation, and positioning, and at the same time as something that represents the marketing mix or the 4Ps. Such treatments have been needlessly confounding readers, and they fail to recognize the difference between marketing strategy and marketing mix - which refers to the means by which a marketing strategy is put into action or implemented (El-Ansary, 2006).

Marketing strategy is a multidimensional concept that its formulation can be viewed "*as an interactive and iterative two-tier process*" (El-Ansary, 2006, pp. 282) that, on the one hand, entails market segmentation, targeting, differentiation, and positioning, and on the other hand, that involves setting product, pricing, distribution, and promotion strategies as a preface to the tactical marketing implementation tools that are known as the marketing mix or the 4Ps (El-Ansary, 2006).

Furthermore, a number of literatures wrongly use strategic marketing and marketing strategy interchangeably when in fact the two terms represent different concepts or constructs. For example, strategic management represents the field of study within the management discipline, whereas corporate strategy and business strategy stand for a strategy at a firm and business unit level, respectively, and are organizational strategy concepts or constructs. However, in the marketing discipline writers often fail to make this distinction and use both marketing strategy, which is an organizational strategy construct, and strategic marketing, which refers to the field of study in the marketing discipline, interchangeably. Hence, marketing strategy can be stated as a company's interrelated marketing decisions that articulates the company's ultimate choices regarding its markets, products, prices, distributions, promotions, and marketing resources in the efforts it makes to create, communicate, and deliver customer value in exchange for returns so that it can achieve its objectives (Varadarajan, 2009).

Thus, marketing strategy refers to the means by which companies achieve their marketing objectives (Fekadu, 2018; Daniel, 2018). And, it has a direct relationship with a company's performance as it was found by (Chen, 2020; Al Junidi, 2020; Daniel, 2018). In addition to this, Fekadu (2018) found that there was a positive, significant, and causal relationship between the three elements of the marketing mix (i.e. product, price, and promotion) and a company's market performance. His findings also show that place (which refers to distribution strategy and is the fourth element of the marketing mix) had only limited positive effect upon market performance (Fekadu, 2018). However, his findings were not fully supported by (Getahun, 2020) who rightly found that all the four marketing mix elements (i.e. place, product, price, and promotion) had positive and significant effect upon firms' performance. Getahun (2020) findings are partially similar with the findings of (Oke, 2012) who found that there was significant and positive relationship between an optimal level of the marketing mix or the four

Ps in combination, but not individually, and banks' performance in Nigeria. The problem with Oke's findings lies on his assertion that the 4Ps can only have influence on banks' performance when they are combined. Nonetheless, (Oke, 2012) recommended that banks should engage on marketing research as effective marketing strategies and marketing mix stem from a wellconducted marketing research. In addition to these, as he put it, marketing research can serve as a source of innovation and service improvements. The importance of market research, though it is in relation to customer satisfaction and retention, was also highlighted by (Ateba et al., 2015) who found that marketing mix is instrumental in achieving maximum bank customers' satisfaction and retention.

As (Singh, 2012) correctly described it, marketing mix refers to a set factors or variables that are under the control of the company and that the company use them to influence consumers' response. He also stated that marketing mix could be used strategically to achieve competitive advantage. And, for a marketing strategy to be successful, the marketing mix or the four Ps have to reflect the needs and wants of the target consumers. Therefore, marketers need to use market research to identify consumers' needs and wants (Akeem, 2014). In addition to these, (Akeem, 2014) found significant and positive relationship between marketing of financial services and their financial performance, and recommended better communication or promotional efforts on the parts of banks in order to bridge the communication gap between them and their customers.

2.3.2. Effects of Product Strategy on Companies' Performance

A product can be both tangible and intangible, and refers to a combination of benefits that a company offers to a market for exchange with money. Thus, it can be defined as something that satisfies consumers' needs, and includes goods, services, ideas, places, and so on. This means that banking services can be classified as products (Akwam & Yua, 2021). And, there is strong and positive relationships between banks' products and their financial performance (Akwam & Yua, 2021).

According to the study conducted by Sandra (2019), product strategy of Burundi banks would have impacted upon their financial performance if they had used it appropriately. Because, there is a direct relationship between providing a good product to a market and increase in sales performance (Sandra, 2019).

Thus, the above empirical literatures and others confirm the existence of direct relationships between banks' product strategies and their performance.

2.3.3. Effects of Pricing Strategy on Companies' Performance

The intangibility of the banking services makes the pricing strategies of banks more difficult than those of goods companies. Bank prices, include interest charge, service charges, and penalties.

And, there is a direct relationship between banks' pricing strategies and their financial performance (Nwambeke et al, 2020). Nafuna et al. (2019) are also another scholars who found a positive relationship between a company's pricing strategies and its financial performance. Muema and Nyaga (2017) similarly found a statistically significant positive relationship between organizations various pricing strategies and their financial performance.

As it was acknowledged by Sandra (2019), there were a number of other scholars who found positive relationship between companies' pricing strategies and their financial performances. Nonetheless, this relationship was not found by the study that was conducted by Sandra (2019) as commercial banks in Burundi did not adopt pricing strategies.

2.3.4. Effects of Distribution Strategy on Companies' Performance

Banks' distribution channels are different from manufacturing companies' distribution channels as banks use their own branches, Automated Teller Machine (ATM), Point-of-Sale (POS) terminal, telephone banking, and online banking services to reach their customers (Nwambeke et al, 2020), as opposed to manufacturing companies which use wholesalers and retailers to delivery their products to the customer. Point-of-Sales (POS) terminal refers to an electronic device that is connected to banks' servers, and enables buyers to pay for their purchase by using their debit or credit card at supermarkets, restaurants, bars, gas stations, hotels, and so on (Nazaritehrani & Mashali, 2020). On the other hand, telephone banking refers a banking service that enables customers to pay for their purchase over the phone (Nazaritehrani & Mashali, 2020).

Online banking services have been growing rapidly almost at the same rate as the growth of online businesses. This growth is benefiting customers in many way that businesses are benefiting from it. Online banking is becoming the source of competitive advantage for a number of banks as it is resulting in reduction of their operational costs while benefiting customers through its convenience and sparing them form the hassle of queuing at the bank branches for routine services, such as withdrawal of money. Thus, there is statistically significant positive relationships between online banking services or banking distribution channels and banks' performance (Wamuhu, 2020). As it was acknowledged by Wamuhu (2020), this finding is consistent with the findings other scholars.

As it was acknowledged by Sandra (2019), there were a number of scholars who found positive relationships between companies' distribution strategies, including banks' distribution strategies, and their financial performance. Sandra's findings were consistent with the findings of Nazaritehrani and Mashali (2020), who found statistically significant positive relationships between online banking, telephone banking, and POS terminals services and banks' performance. However, other findings of Nazaritehrani and Mashali, especially in relation to the relationship between the use of ATM and banks' performance, was contrary to the findings of other scholars, who found statistically significant positive relationship between the two.

Furthermore, it is important to note the fact that digital banking has revolutionized the way banks operate and consumers use bank services. The lessons from Korea, for example, show that digital banking is growing rapidly at the backdrops of the global financial crisis, advancements in technology, and rising consumers' demand for cheaper, flexible, easily accessible, and customerfriendly banking services. And, Korea's remarkable internet service, its robust ICT facility, and policy makers' motivations to promote more innovative and competitive banking services have created highly conducive environment for the country's digital banking services (Choi, 2020).

2.3.5. Effects of Communication Strategy on Companies' Performance

Advertising is one of the promotion or marketing communication mix elements, and refers to "*any paid form of non-personal communication*" (Yeneneh et al, 2018, pp. 3) that aims to advertise a company, its products, or its ideas. This shows the fact that advertisement slots either on digital media, TV, radio, newspaper, or magazine are bought by an identifiable sponsor, and that there is no personal interactions with the audience (Yeneneh et al, 2018). This study also found that there was a statistically significant positive relationships between customer loyalty and customer perceived value (satisfaction); advertisement and customer loyalty; and advertisement and customer perceived value or satisfaction (Yeneneh et al, 2018). In addition to this, it is possible to infer from the recommendation of the study the fact that the marketing practices of Ethiopian banking sector has not grown fully (Yeneneh et al, 2018). The findings of this study is also consistent with the findings of Sandra (2019), who found statistically significant positive relationship between the promotional efforts of the commercial banks of Burundi and their sales performance, and other scholars that were cited by Sandra.

The finding of Zephaniah et al. (2020) shows that there was statistically significant positive relationship between banks’ marketing communication tools, such as advertisement, sales promotion, public relations, and personal selling, and their customers’ loyalty. This finding was consistent with other scholars’ findings that were cited in the study. But, the study did not find statistically significant relationship between banks’ direct marketing or direct selling and customers’ loyalty. Nonetheless, according this study, adverting was found to be the most effective promotion tool in achieving customer loyalty. Personal selling, public relations, and sales promotion were also found to be the most effective promotion tools next to advertisement, respectively (Zephaniah et al, 2020).

The study conducted by Mahboub (2018) also shows the existence of statistically significant positive relationship between banks’ social media, in particular Facebook, usage and their performance. And, this finding was consistent with the findings of other scholars who were cited by Mahboub (2018). Furthermore, this finding is similar with the finding of Pan et al. (2019), who found positive relationship between social media marketing and company’s sales revenue.

2.3.6. Effects of Customer Relationship Strategy on Companies’ Performance

Customer relationship (CM) strategy or customer relationship management (CRM) strategy is an approach that enables companies to establish personal relationships with their customers through personally tailored marketing contents. In addition to this, it enables the staff to work together in order to provide superior customer experience. Its main objectives are to turn potential customers into actual customers and retain those who already exist through engagements and personalized marketing contents that are tailored to meet their needs. Effective customer relationship strategy has irreplaceable importance in acquiring new customers and retaining existing ones by a considerably lower cost than it could have otherwise been .Thus, it increases the reliability, efficiency, and the success of companies’ marketing efforts, and has a direct link with the companies’ performance (Indeed, 2021).

Customer relationship (CR) or customer relationship management (CRM) strategies are useful means of improving company’s financial performance as they enable a company to build longterm profitable relationship with its customers. Thus, customer relationship strategy is amongst the major source of differentiation and competitive advantage for any company, especially for financial service companies. One of the main customer relationship strategies is customer retention strategy, which refers to the efforts that a company makes to retain its existing customers or the means by which a company minimize its customers' chances of defection to its competitors. And, it is necessary to note that retaining an existing customer is much cheaper than acquiring a new one (Kebede & Tegegne, 2018). In addition to these, the study that was conducted by Kebede and

Tegegne (2018) found a positive relationship between Commercial Bank of Ethiopia's customer relationship management and its financial performance.

2.3.7. Effects of Sustainable Marketing Strategy on Companies' Performance

Sustainable marketing refers to a strategic approach that requires companies to adopt a holistic marketing approach in their efforts to meet the needs of the target market while acting in a socially and environmentally responsible manners. Thus, the main goal of sustainable marketing is to add

value to a company and the society while satisfying current customers' needs in a socially and environmentally responsible manners (Adetunji, 2019). It is important to note that there is a positive relationship between a company's sustainable marketing efforts and its corporate image or goodwill (Adetunji, 2019). If sustainable marketing has a direct relationship with a company's corporate image or goodwill, then it follows that it also has a direct relationship with a company's performance (Adetunji, 2019).

Sustainability has become the main public issue in the 21st century as there is a constant worry about conserving resources for the current as well as the future generation (Trivedi et al, 2018; Bajo & Curbelo, 2021). As a result of this, companies are being driven by a desire to protect their corporate images or reputations, by a desire to operate ethically, and by pressure groups to adopt sustainable business practices. In addition to these, they are seeing it as an opportunity to increase their competitiveness and realize their corporate goals (Stauropoulou & Sardianou, 2019; Bajo & Curbelo, 2021). Many researchers also found the fact that sustainability practice has a direct relationship with a company's financial performance and its increased market value (Trivedi et al, 2018; Papadas et al, 2018).

2.3.8. Mediation Effect of Customer Satisfaction on Companies’ Performance

Scholars are often interested in finding out how an independent variable influences a dependent variable through another variable that is known as an intervening variable. And, the process or method they adopt to find out this relationship is called Mediation Analysis (Alfons et al, 2021; Ozdil & Kutlu, 2019). Thus, in mediation analysis, scientists hypothesize that an independent variable influences a mediating variable which in turn influences the dependent variable. And, this effect is called indirect effect or mediation effect (Abu-Bader & Jones, 2021).

Customer satisfaction has a direct relationship with customers’ purchase intention and companies’ performance. Because, a well-satisfied customer buys more of the products and becomes loyal to the company. And, this in turn enhances company’s performance and positively contributes to the company’s growth. For example, banking service quality determinants, such as reliability, efficiency, privacy, security, communication, responsiveness, and access are positively related to customer satisfaction, which in turn influences customer purchase intentions and customer loyalty, thereby enhancing company’s performance or growth (Khatoon et al, 2020). Thus, this shows the fact that customer satisfaction mediates the relationship between banks’ service quality and banks’ performance.

2.4. Conceptual Framework

On the basis of the critical review of theoretical and empirical literatures, it has been possible to postulate that there is a direct and positive relationship between banks' marketing strategies, including their product strategy, pricing strategy, distribution strategy, communication strategy, customer relationship strategy, and sustainable marketing strategy, and their performance - which can be represented by their revenue, profit, and market share. In addition to these, it is hypothesized that customer satisfaction mediates the relationship between banks' marketing strategies and their performance.

2.5. Research Hypotheses

Hypothesis is a tentative relational statement that describes a relationship that is believed to be existing between two or more variables. And, it must be operationalized (i.e. it must be transformed into variables) so that it can be measured or tested (Cooper & Schindler, 2014). Accordingly, marketing strategy is represented by its components, such as product strategy, pricing strategy, communication strategy, distribution strategy, customer relationship strategy, and sustainable marketing strategy. And, the following testable relationships have been hypothesized on the basis of the critical analysis of theoretical and empirical literatures:

1. Banks' product strategy positively influences banks' performance.
2. Banks' pricing strategy positively influences banks' performance.
3. Banks' communication strategy positively influences banks' performance.
4. Banks' distribution strategy positively influences banks' performance.
5. Banks' customer relationship strategy positively influences banks' performance.
6. Banks' sustainable marketing strategy positively influences banks' performance.

Chapter Three

Research Design and Methodology

3.1. Introduction

Research design and methodology chapter discusses research design, population of the study, sample design, types and source of data, data collection instruments, data analysis methods, measurement validity, reliability of the instrument, research model specification, and ethical considerations.

3.2. Research Design

Research design is the overall framework that shows how you will answer the research questions. It contains clear objectives that are driven from the research questions, specifies the sources of data, lays down methods of data collection and analysis, and discusses constraints and ethical issues that might be encountered during the course of the research (Saunders et al. 2019). This study is based on pragmatic worldview or the assumption that using mixed research methods and data types neutralizes the weaknesses of each method (Creswell, 2018). Accordingly, this study, which is essentially described as explanatory, has been conducted by using mixed research method or design, in particular triangulation approach. Triangulation method entails the use of more than one research method or sources of data in a study so as to enhance the validity of the findings or to achieve greater confidence in the findings (Bryman & Bell, 2011).

This means that, on the basis of the research questions, qualitative data were gathered from the banks' marketing departments. Then, theories that had been driven from the literatures were tested qualitatively by using thematic analysis technique. These theories have also been tested quantitatively on SPSS v25 by using survey data that were collected from a sample of two hundred and thirty eight bankers who were randomly selected from the sample of banks.

In addition to these, the validity and credibility of the qualitative part of the study has been enhanced through careful study, clarifying questions, and exploring responses from a variety of angles or perspectives. This research design or framework has benefited from the advantages of both the qualitative research method, which enables an in-depth understanding of a situation through detailed description of a phenomenon, and the quantitative research method , which attempts to measure attitude, behavior, opinion or knowledge accurately by answering questions, such as when, how often, and how much (Cooper & Schindler, 2014). Thus, the utilization of both qualitative and quantitative methods has enhanced the reliability and validity of the study and the importance of its contribution in the field. While reliability refers to consistency and replication, validity refers to the appropriateness of the measurements, the accuracy of the conclusions that have been reached at about the variables or the accuracy of the analysis of the findings, and the generalizability of the results (Saunders et al. 2019; Bryman & Bell, 2011).

3.3. Population and Sample Design

Population refers to the entire cases from which a sample is taken. Hence, sampling techniques enable you to conduct your research by using a subset of the population when it is impossible for you to collect data from the entire population because of time, financial, or physical constraints. On the other hand, sampling frame refers to a complete list of elements of the target population from which a sample is drawn.

Probability and none-probability samplings are the two main types of sampling techniques (Saunders et al. 2019). Probability or random sampling is a sampling technique in which each case of the population has equal and known chance of being selected for the sample, thereby enabling statistical inference about the population on the basis of a sample data. On the other hand, noneprobability sampling is a sampling technique in which each case of the population has unequal and unknown chance of being selected for a sample as the selection is done by none-random selection method, thereby making statistical inference about the population on the basis of a sample data impossible or impractical. Nonetheless, it is still possible to make general statements about the population on the basis of non-probability samples by using non-statistical method (Saunders et al. 2019; Bryman & Bell, 2011). It is also advisable to use none-probability sampling technique when there is no need to make statistical inference from a sample despite having a sampling frame.

Quota sampling is based on the premise that a sample represents the population as the variability in a sample is the same as the one that exists in the population (Saunders et al. 2019). Furthermore, as Saunders et al. (2019) put it, a sample design that has two or more successive stages of sampling, such as none-probability and probability sampling techniques in a single study, is known as MultiStage Sampling. And, this is the sample design that has been adopted in this study. Accordingly, population that has been affected by the problem and is the subject of the study is the commercial banks that are currently operating in Ethiopia. The information that is available on the National

Bank of Ethiopia's website states that there are twenty seven banks that are currently operating in the country (NBE, 2022). These banks are Commercial Bank of Ethiopian, Dashen Bank, Awash Bank, Development Bank of Ethiopia, Wegagen Bank, Bank of Abyssinia, Nib International Bank, Hibret Bank, Cooperative Bank of Oromia, Lion International Bank, Zemen Bank, Oromia Bank, Bunna International Bank, Berhan International Bank, Abbay Bank, Addis International Bank, Debub Global Bank, Enat Bank, Zamzam Bank, Goh Betoch Bank, Hijira Bank, Siinqee Bank, Shabelle Bank, Ahadu Bank, Tsedey Bank, Tsehay Bank, and Amhara Bank. Eight banks

(Commercial Bank of Ethiopia, Awash Bank, Dashen Bank, Wegagen Bank, Hibret Bank, Nib International Bank, Oromia Bank, and Cooperative Bank of Oromia) were selected from the target population by using simple random sampling technique. This sample size was determined, as you can see it below, by using a formula that was taken from Saunders et al. (2019):

$$N^a = (N \text{ x } 100)/R_e\% = (6 \text{ x } 100)/84.5\% = 7.1 = 8$$

Where N^a = Actual sample size

N = Estimated minimum sample size

R_e = Estimated response rate that is expressed as a percentage

Then, the study has been conducted by using respondents from these banks' marketing, sales, and customer service departments. The sampling frame is constituted of the entire banks. Thus, at initial stage of data collection, the sample was made up of sixteen marketing managers who were selected from the eight banks by using quota sampling technique (i.e. two participants from each of the eight banks), though eleven of them only were interviewed due to lack of willingness on the part of some of the participants. This shows that [(11/16)100%] or 68.75% of the sample who participated in the interview. Then, questionnaire was used at the second stage of data collection to gather quantitative data from a sample of two hundred and thirty eight respondents who were selected from the eight banks by using simple random sampling technique. But, it was only two hundred and one respondents who returned the questionnaires. And, this shows that the response rate (which is equal to the total number of responses divided by the total eligible number of the sample) is 84.5% (201/238). It is also worth stating that this sample design (multi-stage sampling) has ensured that the samples are adequate and perfect representative of the target population.

3.4. Types and Sources of Data

As it has already been stated above, the sources of the data were the staff at the banks' marketing, sales, and customer service departments. And, the study has been conducted by using primary data that were gathered through semi-structured interview and survey. Thus, the study has used both qualitative and quantitative data. And, quantitative data that were used in the study were higher level or interval level data, and these were collected by using a five-point rating scale or Likert Scale. Likert Scale, which was developed by Rensis Likert, is the most frequently used rating scale. And, it is made up of statements that are written on scale and that show a positive or negative attitude towards the object of interest (Cooper & Schindler, 2014). Hence, the respondents were asked to state their agreement or disagreement with each statement that had a numerical score of 1 – 5 to reflect the statement's degree of attitudinal favorableness.

3.5. Data Collection Instruments

As Cooper & Schindler (2014) correctly state it, interview is the main data collection instrument for qualitative research method as opposed to survey which is the dominant instrument in quantitative research. Thus, as it has already been stated above, data were collected at two stages – initially through semi-structured interview and at later stage through survey. Semi-structured interview was guided by a predetermined list of questions that had been driven from the research question and objectives. Furthermore, structured and consistent approach was used throughout the interview to explore each question and theme systematically with each participant, to compare each participant's response with each other, and to reveal the underlying reality that is the focus of the study. The interview was conducted face-to-face. And, this enabled the researcher to build rapport with the participants, to engage in open and frank discussions, and to extract data that were rich and free from bias. Reliability issues that are owed to the lack of standardization in semistructured interviews have also been addressed by providing detailed explanations about the research design, by describing the reasons that underpin the choice of the research strategy and method, and by stating how the data were collected. The validity of the interview data has also been enhanced by conducing the interview carefully, using clarifying questions, and exploring responses from a variety of angles. And, these approaches are consistent with the procedures that are outlined by Saunders et al. (2019).

A questionnaire is a preferred data collection instrument in explanatory or analytical research that enables the researcher to examine and explain causal relationship that exists between variables. Thus, it is a suitable data gathering instrument in this study, which is essentially an explanatory study with a mixed research methods. The questionnaire that was used to collect the data was designed in a way that it would enable the researcher to gather data that were required to answer the research questions and to meet the research objectives. This questionnaire has very clear instructions, and each of its question was written with a simple and clear language so that it could be understood by the respondent in the way that was intended by the researcher. Therefore, the manner in which each question was written and the overall structure of the questionnaire would enhance the reliability and validity of the instrument, which have already been established statistically. On top of these, collected data were screened and edited on the basis of the interview data so as to ensure their reliability and validity of the data. The respondents were also randomly selected from the banks' marketing and other relevant departments in order to prevent uninformed response. Finally, the questionnaires were delivered by hand to each respondent and collected within the ensuing few days. These approaches are also consistent with the procedures that are outlined by Sunders et al. (2019) and Cooper & Schindler (2014).

3.6. Measurement of Variables

All the items that have been used for the measurement of the variables are original, and have been developed by the researcher.

No	Variables	Items	Scale
1	Performance	**Revenue** 1. This bank's revenue is growing due to the effectiveness of its marketing strategies. 2. The bank's revenue is growing due to its customers' satisfaction. 3. This bank's revenue growth is a key indicator of its performance. 4. This bank's revenue growth is due to its expansion strategies. 5. This bank's revenue growth is due to improvements in its customer service.	**Five Point Likert Scale**: 1(Strongly Disagree) – 5(Strongly Agree)
		Profit 1. This bank's profit is growing due to the effectiveness of its marketing strategies. 2. This bank's profit is growing due to its customers' satisfaction. 3. This bank's profit is growing due to the bank's efficiency gains. 4. This bank's profit is growing due to continuous improvements in its operations. 5. This bank's profit is growing due to the bank's continuous efforts to deliver superior customer value.	

		Market Share 1. This bank's market share is increasing due to the effectiveness of its marketing strategies. 2. This bank's market share is growing due to its customers' satisfaction. 3. This bank's market share growth is in line with its revenue growth.	
		4. This bank's market share is a key indicator of its performance. 5. This bank's market share is a key indicator of its size.	
2	Customer Satisfaction	**Customer Loyalty** 1. This bank's customers have strong relationship with the bank. 2. This bank's customers conduct all their banking with the bank. 3. The loyalty of this bank's customers is positively contributing to the bank's performance. 4. This bank customers often recommend the bank to their relatives and friends. 5. This bank customers offer free word-of-mouth marketing on behalf of the bank.	**Five Point** **Likert** **Scale**: 1(Strongly Disagree) – 5(Strongly Agree)

3	Marketing Strategies	**Product Strategy** 1. This bank offers a range of products that satisfy market needs. 2. This bank's products have broad market appeal. 3. This bank tests its products' suitability, attractiveness, & profitability prior to launching them. 4. This bank uses appealing packages that influence customers' buying decisions. 5. This bank's name, logo, and brand are appealing, and have direct positive influence on the bank's performance. 6. This bank's products or offers have a positive influence on the bank's performance.	**Five Point** **Likert** **Scale**: 1(Strongly Disagree) – 5(Strongly Agree)
		Pricing Strategy 1. This bank uses various pricing strategies to increase its revenue. 2. This bank offers attractive interest rates to increase overall performance. 3. This bank charges lower bank fees to increase its market share. 4. This bank's fees are attractive when they compared to its competitors' fees. 5. This bank's fees and interest rates satisfy customers' needs. 6. This bank's fees are very much influenced by the external factors than by anything else.	

		Distribution Strategy 1. This bank's distribution strategies are enabling the bank to achieve high performance and satisfy customer needs. 2. This bank branches have customer-friendly environment. 3. This bank branches use open layouts, are decorated with distinct features that magnify the bank's corporate identity, have seats and broachers for customers, and their floors are partitioned in accordance with the type of banking services that they provide. 4. This bank's branches are located at places that are easily accessible to customers. 5. This bank's digital distribution channels, such as ATM and online banking, are improving the bank's performance.	
		6. This bank branches are fully aware of their responsibilities toward each other, their bank, and their customer, and are discharging it well.	

Communication Strategy

1. This bank's communication strategies are making positive contributions to the bank's performance, and satisfy customer needs.
2. This bank's advertisements are enabling the bank to communicate customer value, stimulate customer engagement, and build long-term profitable relationship with them.
3. This bank uses sales promotions, such as lottery prizes and coupons, to attract customers.
4. This bank often uses personal selling to communicate with corporate and high-worth individual customers.
5. This bank uses public relations (PR) to publicize news worthy company events and activities, and to promote the bank's image.
6. This bank sends greeting cards, brochures, magazines, offers, and so on to its existing and prospective customers.
7. This bank uses digital marketing, such as online marketing, social media marketing, and mobile marketing to reach out to its customers.

		Customer Relationship Strategy 1. This bank's customer relationship strategies are making positive contribution to the bank's performance, and satisfy customer needs. 2. This bank always provides full and honest information to its prospective and existing customers. 3. This bank's customer acquisition strategies are grounded on building mutually beneficial long term customer relationships. 4. This bank has a clear and ethical customer retention strategies and policies in place. 5. This bank retains its customers by providing them with excellent and superior customer value.	
		Sustainable Marketing Strategy 1. This bank uses energy efficient operations, cost effective pollution controls measures, cost reduction strategies, fair pricing, honest business practices, and honest advertising. 2. This bank's marketing strategies are grounded on the notion of meeting the current and future needs of businesses and consumers. 3. This bank's marketing strategies are satisfying customer needs and positively contributing to the bank's performance. 4. This bank is committed to finding better ways of creating customer value. 5. This bank endeavor to meet consumers' needs via environmentally, socially, and ethically responsible marketing practices.	

3.7. Reliability and Validity of Instruments

An instrument is said to be reliable to the extent that it produces the same result in repeated measurements. This means that the necessary condition for the reliability to exist is consistency, not accuracy, of the result. Thus, reliability is a necessary condition, but not a sufficient one, for the validity of an instrument. On the other hand, measurement validity refers to whether an instrument actually measures what it intends to measure or what a researcher claims that it measures (Cooper & Schindler, 2014). And, there are different types of measurement validity, including face validity, content validity, construct validity, concurrent validity, predictive validity, and so forth (Saunders et al, 2019; Cooper & Schindler, 2014; Bryman & Bell, 2011).

However, the relevant validity tests in this study are face validity, content validity, and construct validity. Face validity refers to whether a measurement, on the fact of it and at the very minimum, reflects the content of the concept that is under study. It essentially involves an intuitive process, and is determined subjectively by people with experiences in the field (Bryman & Bell, 2011). Content validity refers to the extent to which a test or a measurement device, for example questions in a questionnaire, provides sufficient coverage of investigative questions - questions that a researcher must answer to answer the research questions satisfactorily. Whether an instrument or a questionnaire contains representative sample of questions or not is determined subjectively by a panel of people or by seeking the opinion of someone who has experience in the field (Cooper & Schindler, 2014; Saunders et al, 2019).

Accordingly, I sought the opinion of my advisor in relation to the face and content validities of the instrument. But, visual examination of the survey questions shows that the questions meet the requirements of both face and content validities. On the other hand, construct validity refers to the extent to which a set of questions or a measurement device measures a construct that it is supposed to measure (Saunders et al, 2019). Even though construct validity can be determined subjectively by people who have experience in the field, it can also be determined statistically by using factor analysis technique (Cooper & Schindler, 2014; George & Mallery, 2019). Accordingly, visual examination of the questionnaire shows that all the questions meet the requirements of construct validity as they appear to measure the construct (i.e. marketing strategy) that is under study. In addition to this, factor analysis test was conducted on SPSS v25 by using Principal Components factor extraction method and Varimax rotation method. As it can be seen below, the test results show that Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy is .912 which is highly indicative of the construct validity of the items as it is above its minimum threshold of 0.5. Bartlett's Test of Sphericity result is also statistically significant with *p-value*<0.0001, thereby providing additional statistical evidence about the construct validity of the items.

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.912
Bartlett's Test of Sphericity	Approx. Chi-Square	7522.072
	Df	1711
	Sig.	.000

As it has already been stated above, reliability is another criteria which is used to judge the quality of a measurement device or survey questions. As Bryman and Bell (2011) put it, these days most researchers use a test of reliability known as Cronbach's alpha instead of correlation test. And, Cronbach's alpha measures the internal consistency between the items or questions in the instrument. Accordingly, reliability analysis was conducted on SPSS v25 by using Alpha model to check the reliability of the instrument. And, the test result shows that Cronbach's alpha is .956 (α = .956). Thus, this test result highly indicates the reliability of the survey questions as Cronbach's alpha of 0.7 and above is indicative of the reliability of a measurement device (Bryman & Bell, 2011).

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.956	.958	59

3.8. Data Analysis Methods

As it has already been stated above, data were analyzed both qualitatively and quantitatively. This means that interview records were transcribed and analyzed by using thematic analysis techniques. Survey data were also analyzed quantitatively by using SPSS v25, Andrew F. Hayes Process Macro v4.0 (which uses bootstrapping method that is known to be highly versatile method for the mediation analysis), and Sobel test method (a statistical method that is used to test the statistical significance of a mediation effect in application of the Delta method and that is based on the work of Michael E. Sobel who is a Statistics Professor at Columbia University). Thus, hypotheses or propositions that emerged from the literatures were initially tested qualitatively or interactively while being compared with the themes, patterns, and relationships that were identified from within the interview data (Saunders et al. 2019).

As Cooper & Schindler (2014) state it, descriptive statistics (such as summary statistics) and inferential statistics (such as hypothesis testing) are the two major categories of statistical procedures. And, descriptive statistics was used to analyze demographic composition of the respondents, distribution of the data, and the relationships that exist between the variables, while inferential statistics was applied to establish the statistical significance of the relationships that exist between the variables and to test the hypotheses. Hypotheses were tested by using bootstrapping method and classical or sampling-theory approach. On top of these, tables have been used to display some of the findings, while graphs have been used for the same purpose and to conduct certain tests, such as diagnostic tests of the assumptions of regression models.

Furthermore, Cooper & Schindler (2014) state that parametric and none-parametric tests are the two general classes of test of significance. However, this study has used parametric tests as they are more powerful and preferred methods provided that their requirements are met. And, these requirements have been met in this study as the study has used at least interval scale of measurement (data) and met the remaining requirements, such as independence of observations and equality of variances (Cooper & Schindler, 2014).

3.9. Research Model Specification

According to Mackinnon (2008), the three regression models that are required to conduct a simple mediation analysis are:

$$Y = i_1 + cX + e_1$$

$$Y = i_2 + c'X + bM + e_2$$

$$M = i_3 + aX + e_3$$

Where: Y is a dependent variable, X is an independent variable, M is a mediating variable, i_s are constants, e_s are residuals, and *c, c', b,* and *a* are regression coefficients.

On the basis of the above models, the following three regression models were fitted to examine the total, direct, and mediated (indirect) effects of marketing strategy upon banks' performance:

1. $BPR = C_1 + B_1PS + B_2PRS + B_3CMS + B_4DS + B_5CRS + B_6SMS + E_1$
2. $BPR = C_2 + B_1PS + B_2PRS + B_3CMS + B_4DS + B_5CRS + B_6SMS + B_7CS + E_2$
3. $CS = C_3 + B_1PS + B_2PRS + B_3CMS + B_4DS + B_5CRS + B_6SMS + E_3$ Where: CS = Customer Satisfaction

BPR = Banks' Performance

PS = Product Strategy

PRS = Pricing Strategy

CMS = Communication Strategy

DS = Distribution Strategy

CRS = Customer Relationship Strategy

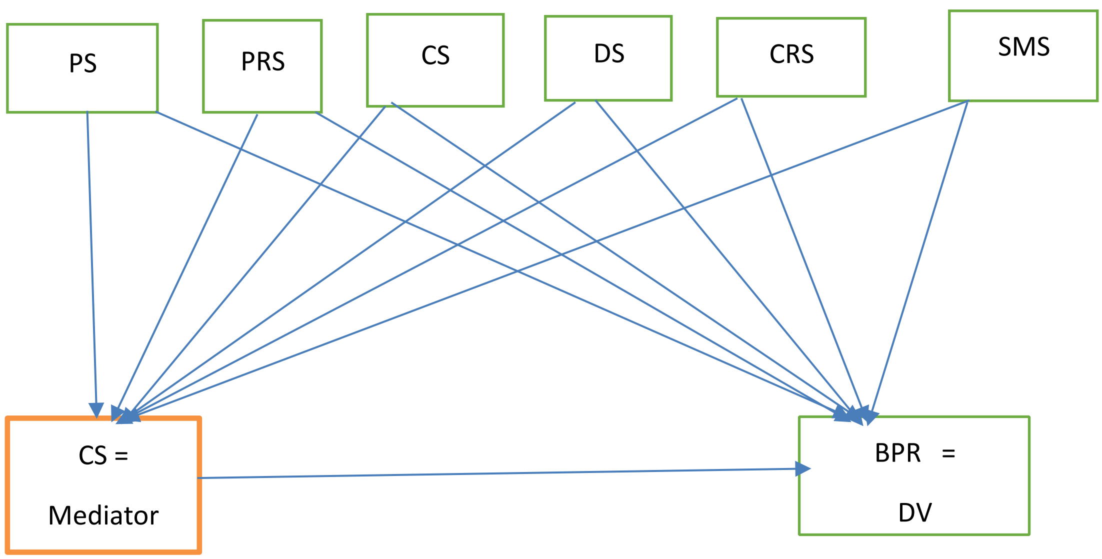
SMS = Sustainable Marketing Strategy

C_1, C_2, & C_3 = Intercepts

E_1, E_2, & E_3 = Residuals

B_s = Regression Coefficients

Marketing strategy is represented by product, pricing, communication, distribution, customer relationship, and sustainable marketing strategies. These components of marketing strategy represent independent variables of the model; customer satisfaction is a mediating variable; and, banks' performance is a dependent variable.



Mediation Diagram

The first equation represents the direct relationship that exists between the independent variables and the dependent variable without accounting for the effect of the mediating variable. This is the total effect of the independent variables upon the dependent variable, and it is often the primary interest in research (Mackinnon, 2008). The second equation represents the direct relationship between the independent variables and the dependent variable when the relationship is adjusted for the effect of the relationship between the mediating variable and the dependent variable. And, the third equation represents the relationship between the independent variables and the mediating variable.

3.10. Ethical Considerations

As Creswell (2018) states it, researchers are required to protect their research participants from any harm or violations of rights, develop good relationship with them, ensure the integrity of their research, and cope with any problem that might arise during the course of their study. In addition to this, they need to be able to anticipate any ethical issues that might arise during the course of the research (Creswell, 2018). Accordingly, all necessary and appropriate ethical measures were adopted throughout the research in order to maintain the integrity of the study and to ensure that participants' rights, including their rights to privacy, were fully respected. As a result of this, the questionnaire states that the respondents take part in the survey voluntarily, and that they are free to take a break or to withdraw from taking part in it. The anonymity of the respondents was also respected. Furthermore, the same ethical rules and procedures had been adopted when the interview was conducted.

Chapter Four

Finings of Qualitative Data

4.1. Thematic Analysis of Interview

Thematic analysis is a systematic, rigorous, and flexible approach to qualitative data analysis that enables a researcher to identify themes and patterns from within the data, and to develop explanations and theories. Unlike, ground theory method, it is not highly prescriptive about the use of its analytical steps or tools. Thus, it is suitable for use with many qualitative research methods that do not require the researcher to follow particular analytical procedure. Procedures that are required to conduct thematic analysis are becoming familiar with the data, coding the data, searching for themes and patterns within the data, recognizing relationships between themes, refining themes, and testing propositions qualitatively.

This means that you need to read through the documents thoroughly and produce transcripts of the interviews in order to familiarize yourself with the data. Coding in qualitative data analysis involves labelling each extract of the data, and it is used to group those with similar meanings together. Once the coding stage is completed, the analysis moves to searching for patterns and relationships amongst the list of codes so as to create themes that combine together several related codes and that enable a researcher to answer the research questions. Thus, searching for themes entails making judgments about the data, requires the researcher to immerse themselves in the data, and results in shrinking of the raw data. On top these, you need to revise and refine the themes that you have identified and the relationships between them by reading through the data repeatedly and reorganizing those themes in light of new discovery of patterns and relationships between them. This means that you need to combine some of the themes together while splitting the rest into different themes. Finally, as you try to reveal patterns, connections, and relationships that you discover from within the data and between the themes, you develop propositions or theories that need to be tested qualitatively and rigorously through alternative explanations and cases that do not conform to these propositions or theories. And, the validity and credibility of these propositions and theories are verified by their ability to withstand negative cases and alternative explanations (Saunders, 2019).

Accordingly, eight marketing managers were selected by using quota sampling techniques from eight banks that were randomly selected from the county's twenty seven banks, though eleven of them have been interviewed by using semi-structured interview method. Then, the data have been analyzed as follows by using thematic analysis technique.

As the findings show it, Ethiopian commercial banks' marketing plans and strategies are guided by their corporate plans and strategies, which in turn are based on the analysis of their marketing environment. And, this indicates that there is congruence between their marketing strategies and corporate strategies. With regard to marketing strategy, you can find that these banks have their own product, pricing, communication, distribution, customer relationship, and sustainable marketing strategies. Their marketing strategies (which, among other things, have aimed at realizing their marketing objectives - such as increasing their financial and market share performances - raising the awareness of banking service in the country, improving access to banking services, establishing close business relationship with international financial institutions, digitalization, and automation of their banking services) give wider recognition to the effects of rapid globalization. And, that is why they have embarked on large scale digitalization of their services through adoption of debit cards, ATMs, POS terminals, and so on.

Their differentiation attempts are also good, though they are not adequate. The reasons for this are that their differentiation mechanisms are largely synonymous and lack originality, and though they are trying to differentiate themselves from their competitors by using factors, such as their names, products features, customer services, customer base, interest rates, fees, accessibility, and technology. Nonetheless, the findings show that product, pricing, communication, distribution, and customer relationship strategies are the main strategies that they use to compete with each other. For example, their pricing strategies show that their interest rates vary from time to time and from customer to customer depending on the factors that influence the setting of interest rates (such as National Bank's rate, other banks' rates, and market condition), the kind of relationships that they have with their customers, and the worth of the customer to the bank. However, as it is the case for their differentiation mechanisms, their marketing mixes or tactical marketing tools are also highly synonymous, except the limited differences that can be seen among their product names and prices.

When you look at their communication strategies, you find that they use a blend of digital and traditional marketing communication tools, such as TV, radio, newspaper, website, and social media, to promote themselves and their products, and to engage with their customers. In addition to this, they use automated text message to alert their customers whenever there is any balance movement in their accounts, though their mobile marketing practices are limited or have not fully developed. For example, most of these banks do not appear to be using text messages to communicate their offers to their target market. On the other hand, they use various tools, such as customer day, exporters' day, workshops, and symposiums, to engage with their customers and develop profitable relationships with them beyond offering them banking services. Brand loyalty reward program is also another thing that they use to retain their customers, though its use is limited and varies from bank to bank. They also use sales promotion tools, such as lottery prizes, extensively as incentive to encourage immediate sales. And, these things, which are part of their communication strategies, are having positive impacts upon their performances.

On top of these, they appear to be cognizant of their environmental and social responsibilities, and the positive impacts of these things upon their financial and market share performances. Their office partition, layout, environment, marketing efforts, and what they say indicate this fact. For example, they support certain social causes and say that they run their businesses in a transparent, honest, and fair manner. Thus, these facts show that Ethiopian commercial banks fully recognize sustainable marketing through their marketing strategies and its impacts upon their financial as well market share performances.

Their marketing objectives are also broad; and, they include being one of the dominant banks in the country, increasing profit, expanding and defending market shares, improving access to banking services, and contributing to the country's economy. Things that they are currently doing to realize these objectives are asset development, expanding sources of their income, digitalization, expansion of their branch networks, increasing their customer numbers, working very closely with their corporate customers, building strong long term relationships with their customers, adopting new banking technologies, and so on. Most of these banks use quarterly performance reports to assess whether or not they have achieved these marketing objectives. However, it is difficult to quantify the exact returns that are attributed to their marketing strategies and to know the exact figures of their market shares and the country's current banking penetration rate as the National Bank of Ethiopia is not currently publishing these information.

While most of these banks describe their reputations (such as their reliability and accessibility), the good relationships that they have with their customers and shareholders, their good customer services, their hardworking staff, and their capital as their main strengths, they see the country's large market and some of the policies of the National Bank of Ethiopia that are liberalizing the country's bank industry as their main opportunities. On the other hand, they mention new entrants into the country's banking industry, the country's banking competition, government's plan to allow foreign banks to enter into the country's banking industry, spiraling inflation, some of the policies of the National Bank of Ethiopia (especially one that is related to the handling of foreign currencies), and the country's internal conflicts and political instabilities as their major threats and challenges. They also describe globalization, digitalization of the banking system, and competition within the country's banking industry as the main trends and forces that are changing the country's banking industry marketing landscape and challenging their marketing strategies.

Nonetheless, these banks have got no sufficient reason for not rolling out debit card as a default means of transaction, paying bill, and operating current accounts, though some of the banks cite not having the capacity to produce their debit cards here in the country, absence of obligatory legal framework, and lack of awareness on the parts of their customers as main reasons for this problem. It is true that Ethiopian banks, except Commercial Bank of Ethiopia and Dashen Bank, are importing their debit cards from abroad, and do not have the capacity to produce them here in the country. For example, debits cards that are used by at least five commercial banks in the country are administered by PSS (Premier Switch Solutions) – which is a consortium of some private banks in the country. PSS connects the banks to each other and enables them to share electronic payment facilities. However, it is worth noting that the country's banking legal framework does not prohibit them from rolling out debit card as a default means of transaction. The other reasons they mention are not also sufficient. These reasons rather indicate the failure on the part of the banks in adopting credible marketing strategies that enable them to transform the county's banking system into card system. In addition to this, the main problem that these banks have in relation to a debit card is related to their limited understanding about its role that it is only used to withdraw cash form ATMs, though debit cards are used for a number of things – including to operate current accounts, pay bills, and for shopping.

Most Ethiopian commercial banks have not even thought whether they have to offer credit card to some of their market segments. Those which say that they have interest to offer it cite the absence of a legal framework and citizens' national database for not offering it. In addition to this, the country's banks do not have a standing order service that enables their customers to pay their bills directly from their bank accounts. The standing order service that they currently have is limited to allowing their customers to make fixed regular payments only. And, the main reason they cite for this problem is the infancy of the country's financial and banking systems. In addition to these, the country's banks do not have POS terminals inside their branches as they do not require their customers to have debit card to access their accounts. They have not also managed to expand the limited services that they have at certain supermarkets and hotels that operate in Addis Ababa to all businesses in the country. Their main reasons for this problem are the infancy of the country's financial and banking systems, inadequacy of the telecom infrastructure, lack of awareness on the parts of their customers and businesses, and absence of obligatory legal framework. Even though these are valid reasons, they are not sufficient given the fact that the country's banks do not have adequate marketing strategy in place to transform their banking services gradually into card system. For example, they would have been able to roll out debit card to all their customers and install POS terminals at all their branches so that they would at least be able to make all their customers access their accounts by using their debit cards.

When it comes to market segmentation, the country's banks market segmentations appear to be beyond what are known to an ordinary person. However, their ability to go further has been partly hampered by a lack of legal framework that enables them to offer credit card to some of their market segments. Their positioning efforts also suffer from imitation or lack of originality, and are bounded by the undergrowth of the country's marketing practices and the infancy of the country's financial and banking systems, though it is true that they try to differentiate their offers and position them by using their names, product features, prices, customer services, and communications, such as sales promotion. And, these deficiencies are the main reasons for their value propositions inadequacies to answer the reason why their customers should choose their bank instead of their competitors.

Even though the country's banks accept that the above mentioned deficiencies that exist in their marketing strategies are to be blamed for not being able to provide the kind of banking services that are available in many developed and some developing countries, including neighboring Kenya, they in turn blame some of the limitations of the county's banking legal framework, lack of adequate banking infrastructure, the undergrowth of the country's marketing practices, and the infancy of the country's financial and banking systems for the deficiencies in their marketing strategies.

Despite these deficiencies, these banks proudly speak about their rapid financial and market share growth, except Commercial Bank of Ethiopia which its staff say that the bank's market share is declining due to the stiff competition it is facing from the country's private banks. And, they attribute their performances to their marketing strategies, financial resources, corporate strategies, operational performances, and hardworking staff. Some of the country's conducive monetary policies and the close business relationship that they have with their shareholders and corporate customers are also other factors that they mention them as reasons for their impressive performances. In addition to these, they mention their customers' satisfaction as the cornerstone for their performance as well as their existence.

Therefore, these findings confirm the direct relationship that is believed to exist between banks' marketing strategies and their financial and market share performances, and the mediating role of customer satisfaction in this relationship. In other words, the findings confirm that banks' marketing strategies (i.e. their product, pricing, communication, distribution, customer relationship, and sustainable marketing strategies) positively influence their financial as well as market share performances. On top of these, the findings strongly suggest that banks' marketing strategies can have better positive impacts upon their financial and market share performances when their impacts are channeled through increased customer satisfaction only. Nonetheless, whether this mediation is full or partial is something that will be confirmed in the next chapter through quantitative analysis of the data.

Chapter Five

Findings of Quantitative Data

5.1. Descriptive Analysis

Descriptive analysis is one of the statistical methods that enables a researcher to describe and compare a variable numerically. The three main descriptive analysis are measures of central tendency, measures of dispersion, and measures of shape. They are quite useful tools for summarizing data (Cooper & Schindler, 2014). The three main measures of central tendency are mode (a value that occurs frequently), median (midpoint value), and mean (average value). On the other hand, measures of dispersion are represented by range, interquartile range, standard deviation, variance, and so on. The range is the difference between the lowest and highest values of the data, but it is rarely used by researchers. The inter-quartile range is more frequently used than the range, and it represents the difference between the lower (first) and upper (third) quartiles of the distribution. Standard deviation is the most frequently used measure of dispersion as it measures the extent to which the data are dispersed around their mean value.

The two measures of shape are skewness and kurtosis. While skewness measures how far the data depart from symmetry or normality, kurtosis measures the flatness or peakedness of the distribution or the fatness of the tail of the distribution. In a symmetrical distribution, the skewness is zero, and the mode, median, and mean are the same. But, if the data contain cases that are stretched toward one tail, the distribution becomes skewed. Skewness can either be positive or negative. While positive skewness represents positively skewed distribution, negative skewness represents negatively skewed distribution (Saunders et al, 2019; Cooper & Schindler, 2014). When the data are positively skewed, most of the data will be clustered to the left and there will be a long right hand tail. This means that the mean will be greater than both the mode and median, while the mode will be the lowest value. However, when the distribution is negatively skewed, most of the data will be clustered to the right and there will be a long left hand tail. Consequently, the mode will be highest value of the distribution while the mean will be the lowest value (Brooks, 2019).

A normal distribution has a coefficient of kurtosis equal to three and a coefficient of excess kurtosis equal zero. This is because of the fact that a coefficient of excess kurtosis is equal to the coefficient of kurtosis minus three. Mesokurtic distribution approaches a normal distribution. It is not either too flat or too peaked. Thus, its coefficient of kurtosis is around three or its coefficient of excess kurtosis is around zero (Brooks, 2019). However, Leptokurtic distribution has distribution that its scores are bunched up heavily towards the center together with excessive scores than normal (i.e. large number of outliers) at the tails. Consequently, it is more peaked at the center than a normal distribution, its tail is fatter or thicker than a normal distribution's tail, and has a coefficient of kurtosis greater than three or a coefficient of excess kurtosis that is always positive. On other hand, Playkurtic distribution is less peaked or flatter than both the normal and Mesokurtic distributions, and has tails that are thinner than both Mesokurtic and normal distributions' tails. (Cooper & Schindler, 2014). As a result of this, it has a coefficient of kurtosis that is less than three or a coefficient of excess kurtosis that is always negative. In addition to these, it has fewer outliers at the tails than both the normal and Mesokurtic distributions (Brooks, 2019).

Accordingly, descriptive analysis of demographic information of the respondents, such as their sex, age, educational level, and work experience, has been conducted by using SPSS v25. And, as it can be seen below, the analysis shows that 68.2% of the respondents are male, while the remaining 31.8% are female. Analysis of their ages also shows that the majority of the respondents or 57.2% of them are between the age of 30 and 39, while those who are 50 years old and above represent 3% only. In addition to these, 98% of the respondents have at least first degree, while majority or 46.3% of them have work experience of 6 up to 10 years. In other words, the mode or the most recurring respondents are male, within the age of 30 and 39, with 6 up to 10 years of work experience, and have a Bachelor degree. In addition to this, the analysis shows that the mean and median respondents have from 6 up to 10 years of work experience.

Demographic Composition of the Respondents

Variables	Composition	Frequency	Percent
Sex	Male	137	68.2
	Female	64	31.8
Age	20 – 29	64	31.8
	30 – 39	115	57.2
	40 – 49	16	8
	50 & above	6	3
Educational Level	Diploma	3	1.5
	Bachelor	105	52.2
	Masters	93	46.3
Work Experience	1 – 5	63	31.3
	6 – 10	93	46.3
	11 – 15	28	13.9
	16 & above	17	8.5

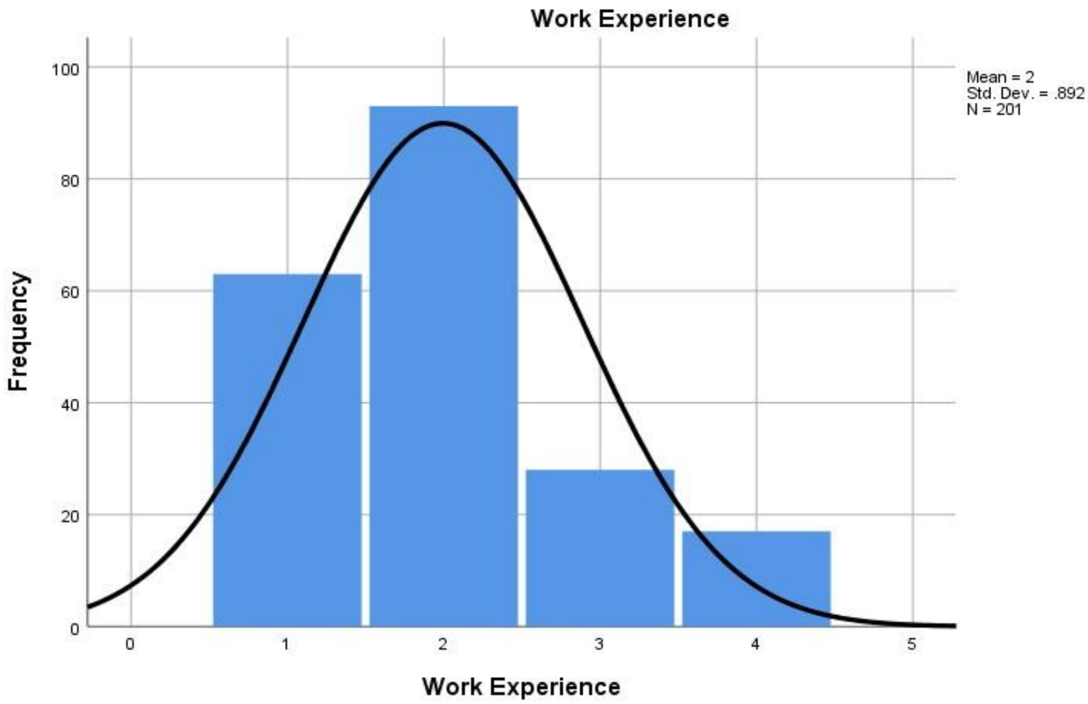
Source: SPSS v25 Output

Even though the distribution of the demographic data has Skewness metrics that slightly departs from zero and Kurtosis that differs from three, it almost approaches a normal distribution. In addition to these, the mean, median, and mode of the sex, age, educational level, and work experience of the respondents are quite similar or even equal in one instance, thereby providing additional evidence about the distribution's closeness to normality. This near symmetric distribution of the demographic data is also shown by the histogram of the work experience of the respondents that is placed beneath the descriptive statistics table.

Descriptive Statistics of Demographic Data

		Age of the respondent	Sex of the respondent	Highest level of education	Work Experience
N	Valid	201	201	201	201
	Missing	0	0	0	0
Mean		1.82	1.32	3.45	2.00
Std. Error of Mean		.049	.033	.037	.063
Median		2.00	1.00	3.00	2.00
Mode		2	1	3	2
Std. Deviation		.698	.467	.528	.892
Variance		.488	.218	.279	.795
Skewness		.794	.785	-.099	.737
Std. Error of Skewness		.172	.172	.172	.172
Kurtosis		1.186	-1.397	-1.315	-.070
Std. Error of Kurtosis		.341	.341	.341	.341
Range		3	1	2	3
Minimum		1	1	2	1
Maximum		4	2	4	4
Sum		366	265	693	401
Percentiles	25	1.00	1.00	3.00	1.00
	50	2.00	1.00	3.00	2.00
	75	2.00	2.00	4.00	2.00

Source: SPSS v25 Output



Source: SPSS v25 Output

On top of these, descriptive analysis of the variables has been conducted by using SPSS v25. And, the test result, as it can be seen below on the table, shows that at least 73.1%, 69. 2%, 70.6%, 70.6%, 65.7%, and 64.7% of the respondents agree, amongst other things, with the preposition that their banks' product, pricing, distribution, communication, customer relationship, and sustainable marketing strategies have positive effects upon their banks' financial and market share performances, respectively. In addition to these, at least 56.2% of the respondents agree that their customers' satisfaction has positive influence upon their banks' financial and market share performances.

Frequency Table of Variables

Strategy	Response	Frequency	Percent
Product Strategy	Uncertain	19	9.5
	Agree	147	73.1
	Strongly Agree	35	17.4
Pricing Strategy	Uncertain	28	13.9
	Agree	139	69.2
	Strongly Agree	34	16.9
Distribution Strategy	Uncertain	12	6.0
	Agree	142	70.6
	Strongly Agree	47	23.4
Communication Strategy	Uncertain	21	10.4
	Agree	142	70.6
	Strongly Agree	38	18.9
Customer Relationship Strategy	Uncertain	32	15.9
	Agree	132	65.7
	Strongly Agree	37	18.4
Sustainable Marketing Strategy	Uncertain	32	15.9
	Agree	130	64.7
	Strongly Agree	39	19.4
Customer Satisfaction	Uncertain	40	19.9
	Agree	113	56.2
	Strongly Agree	48	23.9

Source: SPSS v25 Output

As it can be seen below on the table, the distribution of the sample data highly approaches a normal distribution as the sample's mean, median, and mode are almost equal or equal. Furthermore, skewness and kurtosis metrics of the data are more or less indicative of the closeness of the distribution to normality, thereby providing additional evidence the fact that the sample data are very close to a normal distribution.

Descriptive Statistics of Variables

		Product Strategy	Pricing Strategy	Distribution Strategy	Communication Strategy	Customer Relationship Strategy	Sustainable Marketing Strategy	Customer Satisfaction	Banks' Performance
N	Valid	201	201	201	201	201	201	201	201
	Missing	0	0	0	0	0	0	0	0
Mean		4.08	4.03	4.17	4.08	4.02	4.03	4.04	3.99
Median		4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Mode		4	4	4	4	4	4	4	4
Std. Deviation		.513	.556	.514	.536	.587	.595	.662	.570
Variance		.264	.309	.265	.288	.344	.354	.438	.325
Skewness		.123	.013	.234	.074	-.004	-.010	-.043	-.002
Std. Error of Skewness		.172	.172	.172	.172	.172	.172	.172	.172
Kurtosis		.730	.277	.253	.422	-.058	-.142	-.698	.125
Std. Error of Kurtosis		.341	.341	.341	.341	.341	.341	.341	.341
Range		2	2	2	2	2	2	2	2
Minimum		3	3	3	3	3	3	3	3
Maximum		5	5	5	5	5	5	5	5
Percentiles	25	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
	50	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
	75	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00

Source: SPSS v25 Output

5.2. Correlation Analysis

Correlation analysis is a statistical method that is used to analyze the linear relationship that exists between variables (Bryman, 2012). Hence, a correlation coefficient enables you to put numerically the strength and direction of a linear relationship between two variables. It takes on any value between +1 and -1. While +1 represents a perfect positive correlation or relationship, -1 represents a prefect negative correlation or relationship between two variables. Perfect positive correlation means that two variables increase or decrease in the same direction simultaneously and with the same magnitude, whereas perfect negative correlation means that two variables increase or decrease in opposite direction simultaneously and with the same magnitude. A correlation coefficient that is equal to 0 represents that there is no correlation between two variables, thereby showing that the variables are perfectly independent of each other (Saunders et al, 2019).

Researchers often view a correlation coefficient between 0.3 and -0.3 as an evidence for the existence of a very weak relationship between the two variables, whereas a correlation coefficient above 0.8 or less than -0.8 as an evidence for the existence of a very strong relationship between the variables. In addition to this, it is necessary to note the fact that a very strong relationship between an explanatory variable and a dependent variable is desirable, while a very strong relationship between explanatory variables is indicative of the existence of multicollinearity problem (Brooks, 2019; Gujarati & Porter, 2009).

As it can be seen below, correlation analysis of the research variables has been conducted by using SPSS v25. And, the findings show with 99% confidence level that there is statistically significant and positive relationship between all the explanatory variables and the dependent variable. The pairwise correlation coefficients also confirm with 99% confidence level that there is statistically significant and positive relationship between all the explanatory variables (including product strategy, distribution strategy, and communication strategy, which have a pairwise correlation coefficient of 0.388, 0.332, and 0.371 with a mediating variable, respectively) and the mediating variable. In addition to this, as it can be seen below on the Pearson Correlation table of the variables, the pair-wise correlation coefficients between the explanatory variables show, with 99% confidence level, the absence of multicollinearity problem as the correlation coefficients between all the explanatory variables are far below the threshold for multicollinearity, which is 0.8. And, it follows that these results sufficiently pave a way for the regression and mediation analysis of the variables.

Pearson Correlations Table

		Product Strategy	Pricing Strategy	Distribution Strategy	Communication Strategy	Customer Relationship Strategy	Sustainable Marketing Strategy	Customer Satisfaction	Banks' Perforamance
Product Strategy	Pearson Correlation	1	.482**	.458**	.502**	.425**	.498**	.388**	.448**
	Sig. (2tailed)		.000	.000	.000	.000	.000	.000	.000
	N	201	201	201	201	201	201	201	201
Pricing Strategy	Pearson Correlation	.482**	1	.506**	.327**	.519**	.541**	.431**	.459**
	Sig. (2tailed)	.000		.000	.000	.000	.000	.000	.000
	N	201	201	201	201	201	201	201	201
Distributio n Strategy	Pearson Correlation	.458**	.506**	1	.508**	.516**	.519**	.332**	.418**
	Sig. (2tailed)	.000	.000		.000	.000	.000	.000	.000
	N	201	201	201	201	201	201	201	201
Communication Strategy	Pearson Correlation	.502**	.327**	.508**	1	.422**	.523**	.371**	.429**
	Sig. (2tailed)	.000	.000	.000		.000	.000	.000	.000

	N	201	201	201	201	201	201	201	201
Customer Relationship Strategy	Pearson Correlation	.425**	.519**	.516**	.422**	1	.671**	.512**	.524**
	Sig. (2tailed)	.000	.000	.000	.000		.000	.000	.000
	N	201	201	201	201	201	201	201	201
Sustainable Marketing Strategy	Pearson Correlation	.498**	.541**	.519**	.523**	.671**	1	.492**	.518**
	Sig. (2tailed)	.000	.000	.000	.000	.000		.000	.000
	N	201	201	201	201	201	201	201	201
Customer Satisfaction	Pearson Correlation	.388**	.431**	.332**	.371**	.512**	.492**	1	.452**
	Sig. (2tailed)	.000	.000	.000	.000	.000	.000		.000
	N	201	201	201	201	201	201	201	201
Banks' Perforamance	Pearson Correlation	.448**	.459**	.418**	.429**	.524**	.518**	.452**	1
	Sig. (2tailed)	.000	.000	.000	.000	.000	.000	.000	
	N	201	201	201	201	201	201	201	201

**. Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS v25 Output

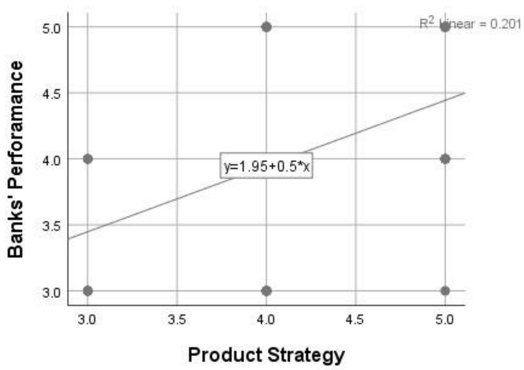
5.3. Diagnostic Testing of Regression Assumptions

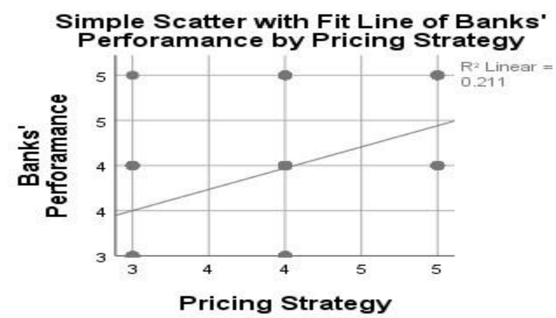
It is important to begin by highlighting the fact that it is not possible to find satisfactory answers for all the problems that might arise when the violation of the assumptions of a regression model occurs (Gujarate and Porter, 2009). Nonetheless, the classical linear regression model assumptions that we need to make in order to estimate the coefficients correctly and conduct a valid hypothesis testing or to make valid inferences about the population parameters on the basis of sample data are linearity of the model, independence of the explanatory variable from the residuals, zero mean value of the residuals, constant variance of the residuals, no serial correlation among the residuals, no exact linear relationship between the regressors, the model is correctly specified, the number of observations are greater than the number of parameters, there is variation in the values of the explanatory variables, and residuals are normally distributed (Gujarate & Porter, 2009).

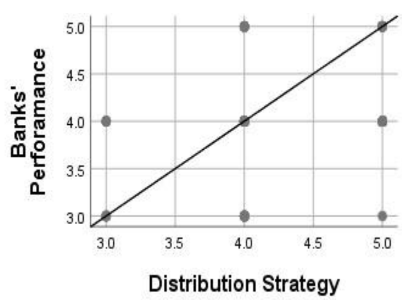
An assumption that the residuals have zero mean value cannot be violated as long as there is a constant term in the regression model (Brooks, 2019), and the research model clearly meets this assumption. In addition to this, the model is correctly specified, and the relationship between the variables is consistent with the theory. The number of observations in the study is also greater than the number of parameters; there are variations amongst the values of the model's explanatory variables; and, there is no correlation between the explanatory variables and the residuals. Furthermore, as it can be seen below, diagnostic testing has been conducted to check if the assumptions of linearity and normality have been violated, and to find out whether the model suffers from heteroscedasticity, autocorrelation, or multicollinearity.

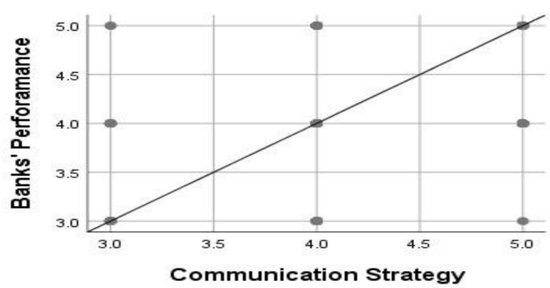
5.3.1. Linearity

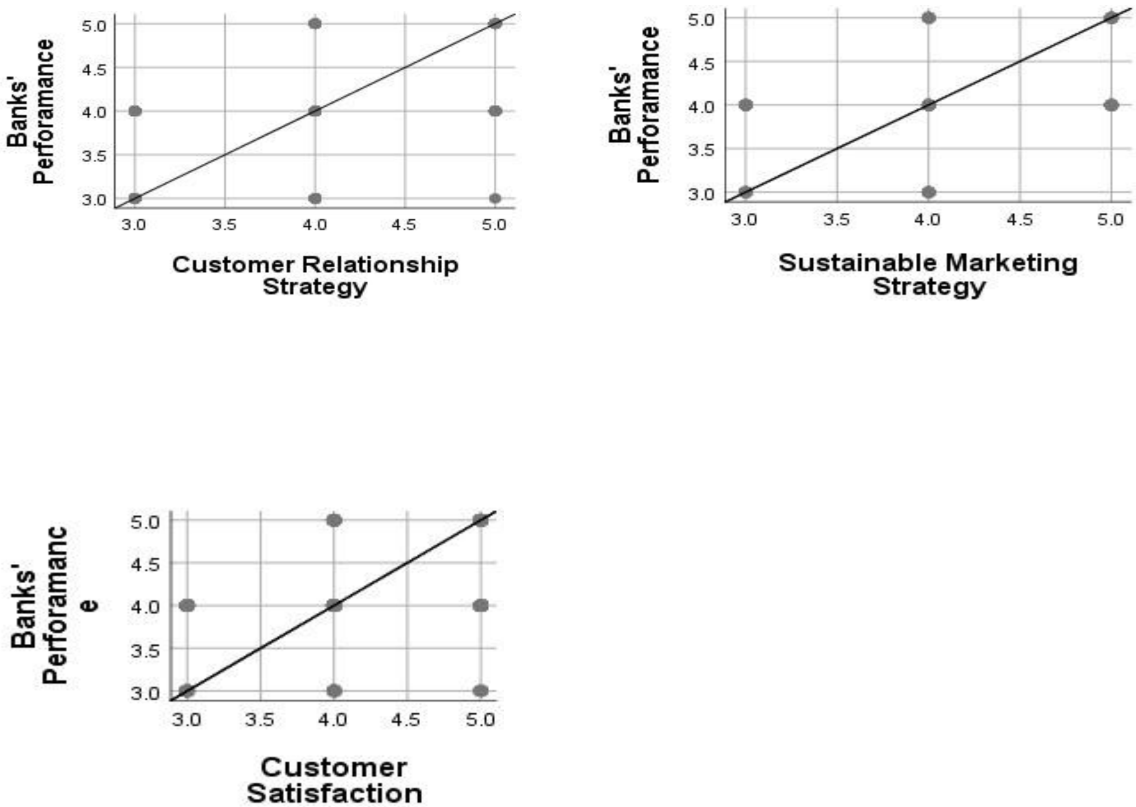
It is necessary that a model is linear, especially in the parameters, so that the researcher can use OLS method to estimate the coefficients. This means that the relationship between the explanatory variables and the dependent variable must be capable of being stated graphically by using a straight line. Linearity of the parameters refers to the fact that the parameters cannot be divided, multiplied together, or squared. It is also necessary to note that models that are none-linear in the variables can be made linear through manipulation or transformation (Brooks, 2019). As it can be seen above, the models have been expressed as linear functions. In addition to this, as it can be seen below, linearity test has been conducted graphically on SPSS v25 by using a scatterplot of the explanatory variables and dependent variable together with a line of fit. And, the test results show that the observations on the scatter plot form a straight line when they are combined, thereby further confirming that there is a linear relationship between all the explanatory and mediating variables and the dependent variable.











Source: SPSS v25 Output

5.3.2. Normality

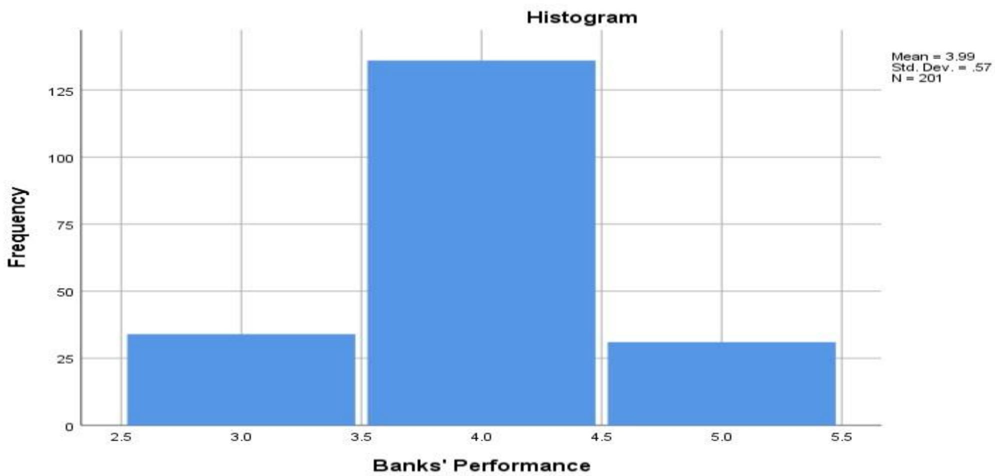
In any regression analysis, it is necessary to make an assumption that the residuals are normally distributed in order to conduct valid hypothesis testing or to make valid inferences about the population parameters on the basis of sample data (Brooks, 2019; Gujarati & Porter, 2009), though the violation of this assumption is inconsequential in large samples (Brooks, 2019). Furthermore, we do not always test it as we cannot see population residuals. And, its test result on its own does not necessarily affect the interpretation of the result. In addition to this, it is important for any researcher to know whether the data are normally distributed or not. As a result of these, both graphical and statistical normality tests have been conducted by using SPSS v25.

Accordingly, as it can be seen below, the test result for Skewness and Kurtosis indicate that the data approach a normal distribution as both Skewness (-0.002) and Kurtosis (0.125) metrics are indicative of the closeness of the distribution of the data to a normal distribution than anything else.

Descriptive Statistics

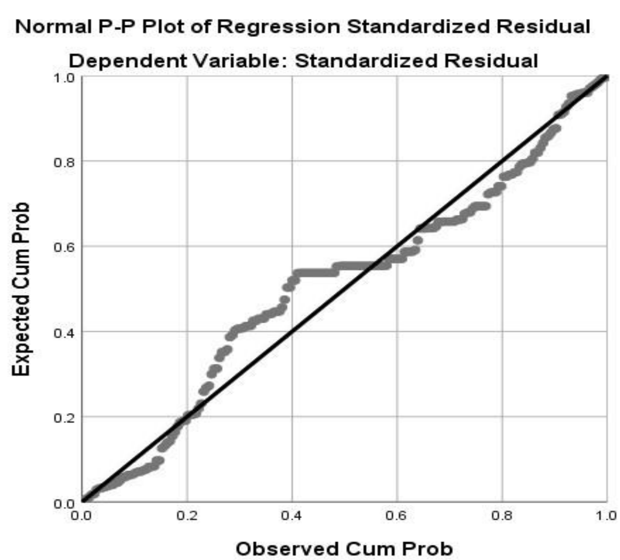
			Statistic	Std. Error
Banks' Performance	Mean		3.99	.040
	95% Confidence Interval for Mean	Lower Bound	3.91	
		Upper Bound	4.06	
	5% Trimmed Mean		3.98	
	Median		4.00	
	Variance		.325	
	Std. Deviation		.570	
	Minimum		3	
	Maximum		5	
	Range		2	
	Interquartile Range		0	
	Skewness		-.002	.172
	Kurtosis		.125	.341

Source: SPSS v25 Output



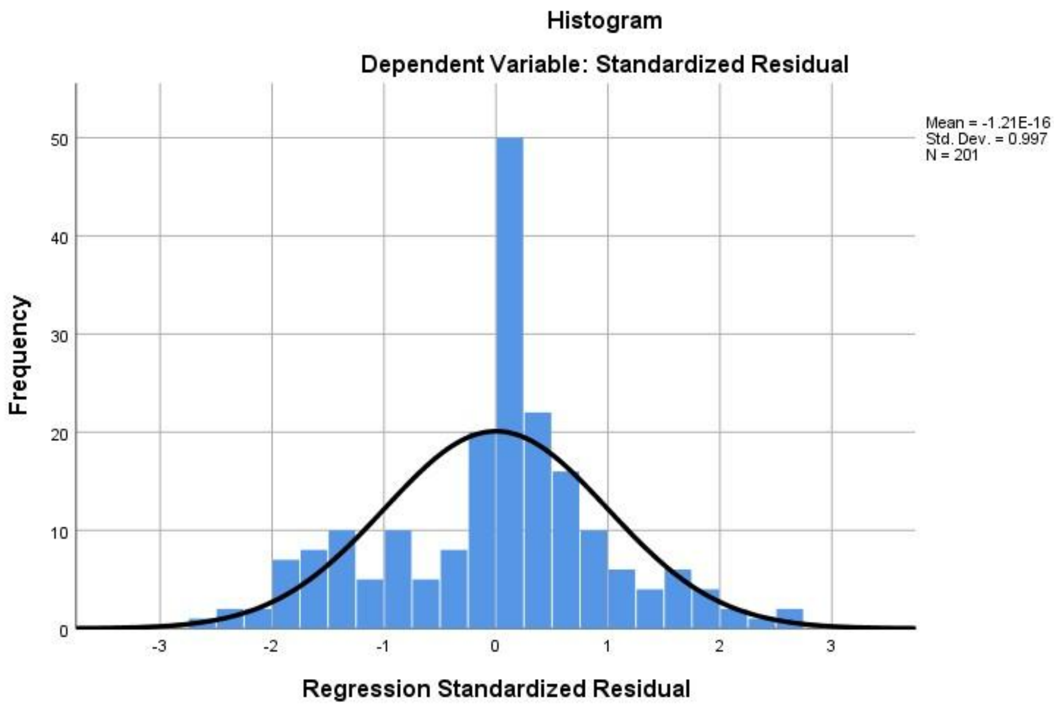
Source: SPSS v25 Output

Furthermore, the above histogram suggests that the data are normally distributed. The normality of the residuals has also been tested on SPSS v25 by plotting standardized residuals, which is treated as a dependent variable, against standardized predicted value, which is treated as an independent variable.



Source: SPPS v25 Output

As it can be seen above, the normal probability plot appears to show the normality of the residuals as all the observations appear on or along the diagonal or normal line. On top this, the histogram which is produced by SPSS v25 and shown below almost appears to suggest the normal distribution of the residuals, though it is more peaked at the center than a normal distribution.



In addition to the above graphical tests, both Kolmogorov-Smirnov and Shapiro-Wilk tests have been conducted on SPSS v25. But, both test results, with *p*-values< 0.001, are statistically significant, thereby making us reject the null hypothesis that the residuals are normally distributed. Nonetheless, as it has been stated above, the violation of this assumption on its own does not necessarily affect the interpretation of the overall results of the study, or it is inconsequential on its own.

Tests of Normality

	Kolmogorov-Smirnov			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	df	Sig.
Standardized Residual	.136	201	.000	.968	201	.000

5.3.3. Multicollinearity

Another important assumption of the classical linear regression model or Ordinary Least Square (OLS) method is that the explanatory variables are not correlated with each other. However, this does not necessarily mean that there cannot be any relationship between the explanatory variables. Because, in practical cases, the correlation between any two explanatory variables is always nonezero. This means that a small degree of relationship (which does not result in too much loss of precision in estimating) between explanatory variables is always inevitable (Brooks, 2019). In addition to this, it is important to highlight the fact that this assumption refers to linear relationship only and it does not include none-linear relationships among the explanatory variables (Gujarati & Porter, 2009). Nonetheless, a violation of this assumption does occur when the independent variables are highly and linearly correlated with one another. And, this violation is called Multicollinearity (Brooks, 2019).

Multicollinearity has practical consequences, and is caused by a number of factors, such as inadequacy of the data, model misspecification, when regressors share common trend (which often happens in time series data), and over-determined model, i.e. presence of excessive explanatory variables in the model. Some of its pitfalls, thought OLS estimators remain BLUE, are that individual coefficients will have high or inflated standard errors, coefficient estimation lacks precision or accuracy, individual variables become insignificant, the regression model becomes very sensitive to small specification changes, confidence interval becomes wider than it should be, and significance test results might lead to mistaken conclusions and inferences (Brooks, 2019; Gujarati & Porter, 2009).

There are two main methods in which multicollinearity can be detected. The first method that researchers often use to detect multicollinearity is a pairwise correlations matrix of the explanatory variables. Multicollinearity is often seen as a serious problem if the pairwise correlation coefficient between two explanatory variables exceeds 0.8. The second method is by computing the variance inflation factors (VIF) of the regressors. VIF is a more formal method than pairwise correlation matrix, and provides an estimate of the extent to which the variance of an estimator is inflated or increased as a result of the presence of multicollinearity in the model. While one is the lowest value of VIF, and indicates an absence of collinearity between the regressors, infinity is its maximum value and indicates the presence of perfect correlation between the explanatory variables. And, this happens when tolerance (TOL), which is the reciprocal of VIF and its value runs from zero to one, becomes zero. As a rule of thumb, when VIF is lower than five, multicollinearity is considered to be less serious. But, if this value exceeds five, the problem becomes a more serious one that requires corrective action. Nonetheless, some researchers use a threshold of 10 instead of 5 for a multicollinearity to be considered as a serious problem (Brooks, 2019; Gujarati & Porter, 2009).

Some of the remedial actions that we can take to address multicollinearity problem are improving the adequacy of the data by collecting additional data, dropping one of the collinear variables, and ignoring it if the model has got no other problem (Brooks, 2019; Gujarati & Porter, 2009). Accordingly, a pair-wise correlation test results which have been shown above indicate with 99% confidence level that there is no evidence for multicollinearity problem. Because, all the pairwise correlation coefficients of the explanatory variables are between 0.327 and 0.671. In addition to this, Variance Inflation Factor (VIF) has also been computed for each explanatory variable by using SPSS v25. And, as it can be seen below, each explanatory variables has a VIF that is far below 5, thereby further confirming that there is no multicollinearity problem.

Coefficients

Coefficients		Unstandar		Standardized Coefficients			Collinearity Statistics	
Model		B	Std. Error	Beta	T	Sig.	Tolerance	VIF
1	(Constant)	.572	.324		1.768	.079		
	Product Strategy	.134	.080	.121	1.685	.094	.604	1.655
	Pricing Strategy	.125	.076	.121	1.640	.103	.567	1.763
	Distribution Strategy	.041	.082	.037	.493	.623	.563	1.775
	Communication Strategy	.125	.077	.117	1.618	.107	.590	1.694
	Customer Relationship Strategy	.188	.079	.194	2.373	.019	.467	2.142
	Sustainable Marketing Strategy	.106	.082	.111	1.299	.196	.427	2.342
	Customer Satisfaction	.123	.059	.143	2.090	.038	.661	1.514

a. Dependent Variable: Banks' Performance

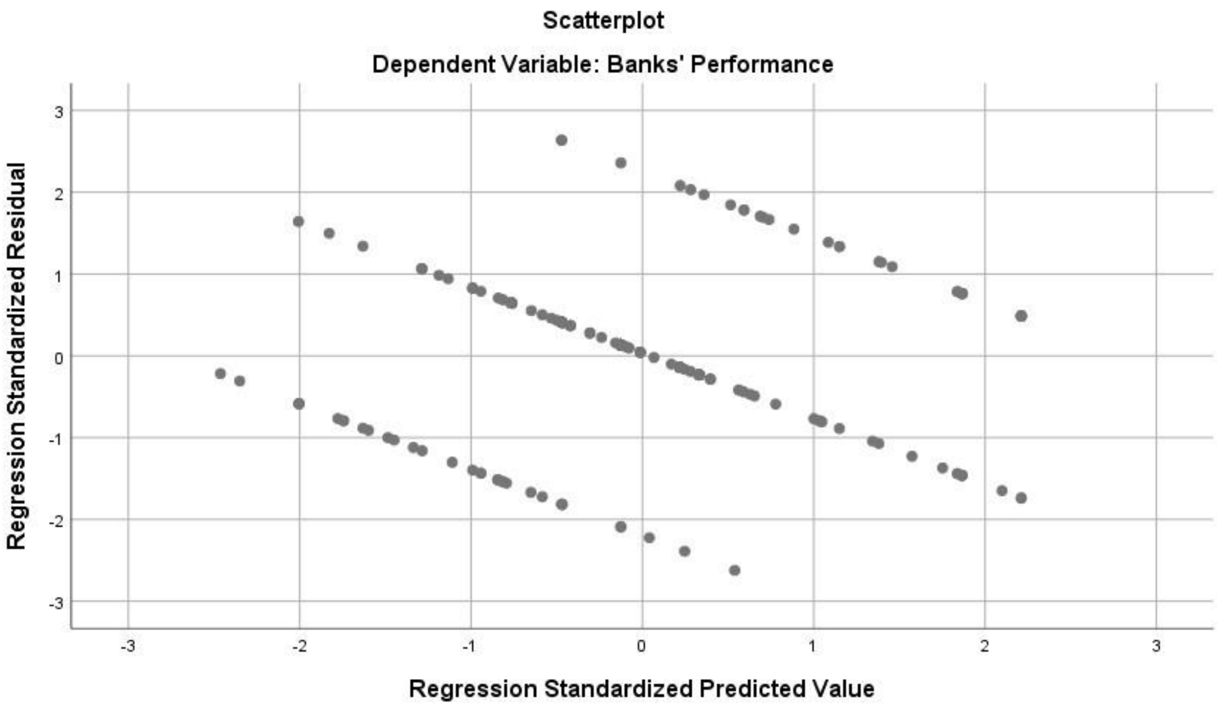
Source: SPSS v25 Output

5.3.4. Heteroscedasticity

Homoscedasticity, which refers to constant or equal variance of the residuals, is one of the assumptions that we need to make in a classical linear regression model. And, when this assumption is violated, i.e. when the residuals do not have a constant variance, they are called Heteroscedastic. This means that the model suffers from heteroscedasticity, which indicates the existence systematic relationship between the residuals and explanatory variables (Brooks, 2019; Gujarati & Porter, 2009). Heteroscedasticity could be caused by a number of factors, such as erroneous data, misspecification of the model, presence of outliners or skewness in the data (Gujarati & Porter, 2009).

In the presence of heteroscedasticity, Ordinary Least Square (OLS) estimators still give unbiased and consistent estimates as these properties do not require the variances of the residuals to be homoscedastic. Nonetheless, they are no longer best linear unbiased estimator (BLUE) and the standard errors and inferences could be erroneous or misleading as a result of this deficiency. Nonetheless, heteroscedasticity can be detected through both graphical and statistical means. And, it can be addressed by taking remedial actions, such as through the adoption of heteroscedasticityconsistent or robust standard error estimates (Brooks, 2019; Gujarati & Porter, 2009). And, this is the approach that has been adopted in this study.

Accordingly, heteroscedasticity has been tested graphically on SPSS v25 by plotting standardized residuals, which is treated as a dependent variable, against standardized predicted value, which is treated as an independent variable. And, the test result, which is shown by the beneath scatter plot, shows that the observations have no particular pattern. And, they rather appear as rectangular or circular as they spread between - 3 and + 3 both vertically and horizontally. Hence, this supports the assumption that there is no heteroscedasticity or that the residuals have constant variance. Nonetheless, as the study has used Andrew F. Hayes PROCESS Macro v 4.0, which uses heteroscedasticity consistent standard error, there is no reason for heteroscedasticity to be a matter of concern in this study.



Source: SPSS v25 Output

5.3.5. Autocorrelation

Autocorrelation generally refers to the correlation between observations that are ordered in time (as it is the case in time serious data) or space (as it is the case in cross-sectional data). And, in the classical linear regression model we need to assume in order to use OLS method that such correlation does not exist between the residuals. In other words, the assumption of no autocorrelation states that the residual that is related to one observation is not influenced by the residual that is related to any other observation (Gujarati & Porter, 2009). And, it follows that the covariance between the residuals should be zero (Brooks, 2019).

Autocorrelation is often caused by the failure to include the lagged value of a dependent variable (the value that variable took during a previous period) as an independent variable in the regression model, interdependencies of successive observations (which is often the case in time series data), exclusion of relevant variable from the model, incorrect functional form, distorted data, and nonestationary residuals which often occur in time series data (Gujarati & Porter, 2009).

In the presence of autocorrelation, as it is the case for heteroscedasticity, Ordinary Least Square (OLS) estimators still give unbiased and consistent estimates as these properties do not require that the residuals are not autocorrelated, though they are no longer best linear unbiased estimator (BLUE), including asymptotically. In addition to this, the standard errors, R^2, and inferences could be erroneous or misleading as a result of this deficiency (Brooks, 2019; Gujarati & Porter, 2009). Nonetheless, autocorrelation can be detected graphically by plotting standardized residuals against standardized predicted value. It can also be detected by plotting the current value of the residuals against their preceding values or by plotting them or their standardized values against time. For the assumption of no autocorrelation to be maintained, the graph of standardized residuals or residuals should show no pattern or they should be randomly spread across the four quadrants, or in the plot against time, their graph should not cross the x-axis either too frequently or fewer than normal (Brooks, 2019; Gujarati & Porter, 2009).

In addition to this, it can be detected by using statistical tests, such as Durbin-Watson (DW) test. Durbin-Watson test is a test for first order autocorrelation. In other words, it tests the relationship between the residuals and their immediate preceding values only. Despite this fact, it is one of the popular and simplest tests for autocorrelation, and its test statistics runs from 0 up to 4. While a DW value between 0 and 1.48 indicates the existence of positive autocorrelation between the residuals, a DW value between 2.52 and 4 indicates the existence of negative autocorrelation between the residuals. In addition to these, while a DW value between 1.57 and 2.43 indicates a lack of evidence for the existence of autocorrelation between the residuals, a DW value between 1.48 and 1.57 and a DW value between 2.43 and 2.52 indicate no decision or inconclusiveness (Gujarati & Porter, 2009; Brooks, 2019).

Some of the possible remedial actions that can be taken to address the effect of autocorrelation are switching to dynamic model that includes lagged values as explanatory variables, including omitted variables into the model, adopting appropriate functional form, adopting Generalized Least Square (GLS) method, and using Newey-West method to obtain standard errors that are corrected for autocorrelation (Gujarati & Porter, 2009; Brooks, 2019).

Accordingly, one of the most popular tests for the detection of autocorrelation, Durbin-Watson (d) test, was conducted by using SPSS v25. And, as it can be seen below, the test result shows that Durbin-Watson statistics is 1.739, which is indicative of the lack of evidence for the existence of autocorrelation between the residuals. It is also important to note that the low R^2 or adjusted R^2 values cannot on its own prove the inadequacy of the model, though high R^2 value is desirable.

Model Summary

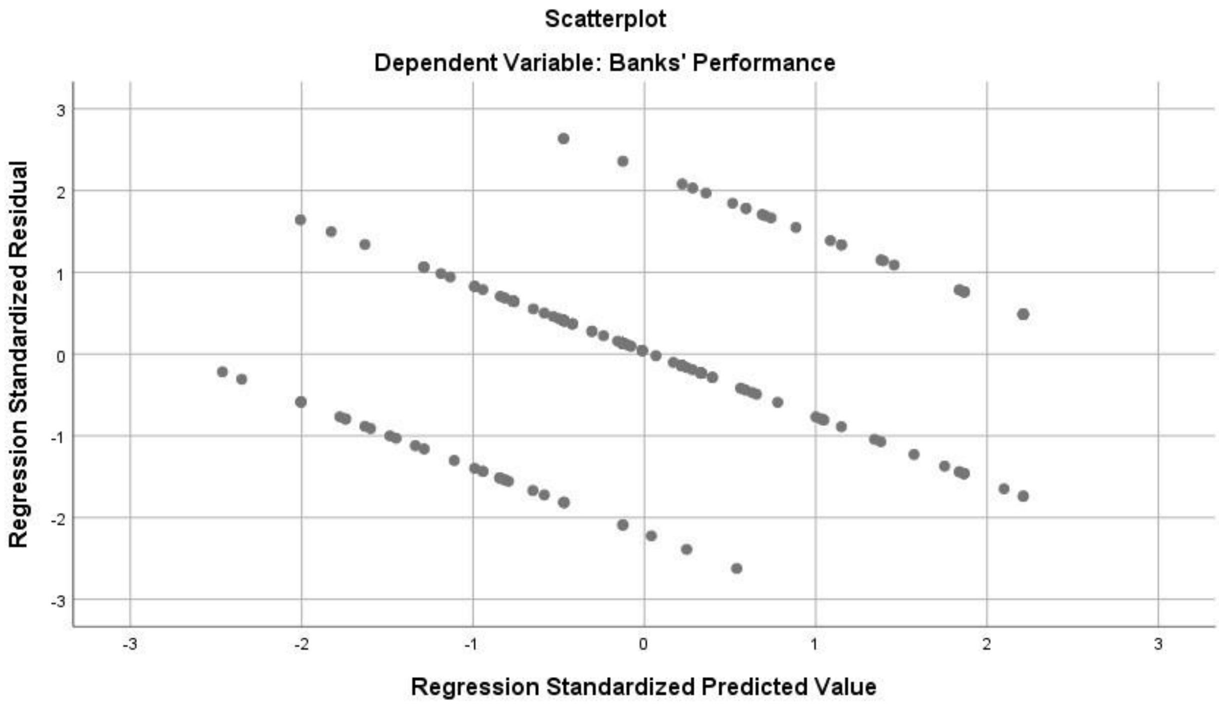
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.632[a]	.400	.378	.450	1.739

a. Predictors: (Constant), Customer Satisfaction , Distribution Strategy , Product Strategy , Communication Strategy, Pricing Strategy , Customer Relationship Strategy , Sustainable

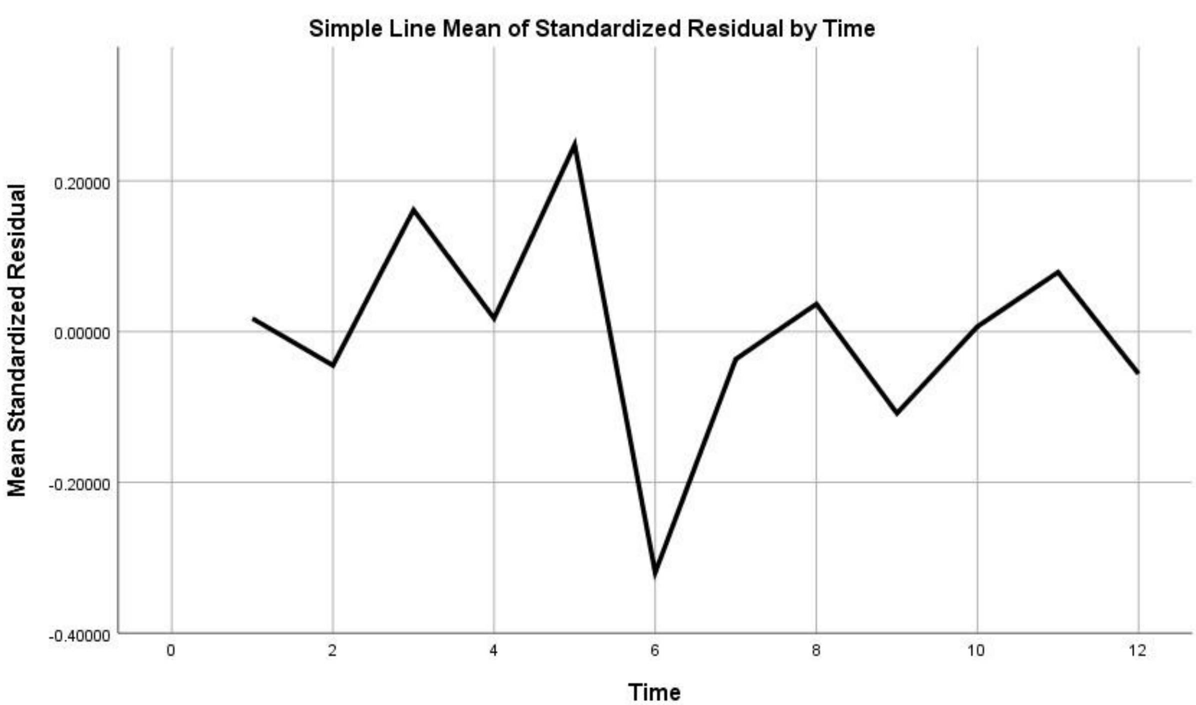
Marketing Strategy

b. Dependent Variable: Banks' Performance *Source: SPSS v25 Output*

Further to this, graphical tests have been conducted on SPSS v25 by plotting standardized residuals against standardized predicted value. As it can been seen below, the scatter plot shows that there is no pattern amongst the residuals. Because, all the observations or residuals are scattered between – 3 and + 3 both horizontally and vertically, and appear to have rectangular or circular shape. The second graphical test, which has been conducted on SPSS v25 by plotting standardized residuals against time, also provides the same information that there is no autocorrelation amongst the residuals as the graph does not cross the x-axis either too frequently or fewer than normal.



Source: SPSS v25 Output



Source: SPSS v25 Output

5.4. Regression Analysis and Hypotheses Testing

Regression models with a mediating variable has been used to estimate the coefficients by using SPSS v25 and Sobel test method, and to test the hypotheses by using Andrew F. Hayes v4.0. As a result of these regression analyses, it has been made possible to determine the direct and indirect (mediating) effects of the explanatory variables upon the dependent variable, and to determine whether the hypotheses should be rejected or not. The mediated effect, which is expressed as the product of the coefficient of the relationship between an explanatory variable and a mediating variable and the coefficient of the relationship between a mediating variable and a dependent variable is equal to the difference between the total and the direct effects of the relationships between the explanatory variable and the dependent variable. And, this equality is always true when the estimation is made by using the OLS method.

The application of both Andrew F. Hayes Process Macro v4.0 (which uses bootstrapping method that is known to be highly versatile method) and Sobel test method to one set of data will enhance the confidence one can have on the findings. Sobel test, which is also known as Normal Theory test, is a method that is used to test the statistical significance of a mediated or an indirect effect (Hayes, 2022). But, bootstrapping method is more powerful method than the Sobel test method. And, it can be used in many situations, including in small samples, as it does not make any assumption about the sampling distribution of the indirect effect. Therefore, bootstrapping method yields inferences that are likely to be more accurate than when the normal theory method is used. Besides, when it is used to test hypotheses, the result becomes a test with higher power than the normal theory method (Hayes, 2022). Nonetheless, when both methods are applied to the same data, they often produce similar results.

However, one of the limitations of Andrew F. Hayes PROCESS Macro "*is that only a single X variable can be listed in the X*" variable box (Hayes, 2022, pp. 154). But, this does not mean that PROCESS Macro cannot estimate a mediation model with multiple X variables. The only additional thing that the researcher needs to do in such circumstances is running the tests multiple times (each time by putting one X variable in the model as an explanatory variable and the remaining X variables as covariates) in order to estimate the direct and indirect effects of all X variables turn by turn (Hayes, 2022). It is also worth underscoring that "*mathematically, all resulting regression coefficients, direct, and indirect effects will be the same as if they had been estimated simultaneously*" (Hayes, 2022, pp. 154).

Accordingly, six separate regression analyses (in which each explanatory variable has been separately treated as an independent variable while the remaining explanatory variables have been treated as covariates) have been conducted by using Andrew F. Hayes PROCESS Macro v 4.0 to test the hypotheses. It is also useful to state that regression analyses methods that have been used in this study use heteroscedasticity consistent standard error, thereby removing any concern about the effects of any possible violation of the assumption of homoscedasticity, though graphical test has not revealed any violation.

Hypothesis:

1. *Banks' product strategy positively influences banks' performance.*

As the beneath extract from the output of SPSS v25 shows it, R^2 which indicates how well the research model explains the variations in the dependent variable or the variability of the dependent variable about its mean value (Brooks, 2019), is 0.3860. On the face of it, this is a very low value. But, it does not necessarily show the inadequacy of the research model. Because, R^2 on its own does not provide full information about the adequacy of any regression model, though high R^2 is desirable. Secondly, in this study, marketing strategy has been presented as a predictor of the outcome variable. But, marketing strategy is not the only predictor of the outcome variable, i.e. banks' performance. As the findings of the qualitative data confirm it, banks' performance is positively influenced by other factors, such as banks' corporate strategies, financial resources, operational performances, and staff performance. Thus, this low R^2 value is rather reflective of these facts than being an indicative of the inadequacy of the model. Most importantly, the F-test statistics is statistically significant with a $p<0.0001$. Therefore, these facts individually and in combination sufficiently confirm the adequacy of the research model.

***** TOTAL EFFECT MODEL -1 *** OUTCOME VARIABLE:**

BPR

Model Summary

R	R-sq	MSE	F (HC3)	df1	df2	p
.6213	.3860	.2056	16.4369	6.0000	194.0000	0.0000

***** TOTAL, DIRECT, AND INDIRECT EFFECTS OF X ON Y ******

Total effect of X on Y:

Effect	se (HC3)	t	p	LLCI	ULCI	c_cs
.1492	.0994	1.5014	.1349	-.0468	.3452	.1344

Direct effect of X on Y:

Effect	se (HC3)	t	p	LLCI	ULCI	c'_cs
.1342	.1002	1.3398	.1819	-.0634	.3317	.1209

Indirect effect(s) of X on Y:

	Effect	BootSE	BootLLCI	BootULCI
CS	.0150	.0165	-.0155	.0518

***** BOOTSTRAP RESULTS FOR REGRESSION MODEL PARAMETERS *****

The total effect of the independent variable upon the dependent variable is often the primary interest in any research as it helps to establish whether there is any relationship between the independent and dependent variables that worth investigating further. As it can be seen above in the excerpt output, there is no statistical evidence to say that banks' product strategy has no statistically significant total effect upon banks' performance as the confidence interval, one of the three methods that is used to determine the statistical significance of a research finding, contains zero. In addition to this, with the *p*-value > 0.05, the test result confirms the absence of statistical evidence to reject the null hypothesis. As a result of this test result, the null hypothesis that banks' product strategy positively influences banks' performance cannot be rejected. The total effect statistics (i.e. 0.1492) is always equal to the sum of the direct effect (i.e. 0.1342) and indirect effect (0.0150) of the independent variable upon the dependent variable as long as OLS method is used. Furthermore, the test results confirm that there is no statistical evidence to reject the null hypotheses that banks' product strategy has direct and indirect effects upon banks' performance as the confidence intervals for both tests contain zero and their *p*-values >0.05.

The second group of hypotheses, which have been written below, have also been tested in the same way by using SPSS v25 and Andrew F. Hayes PROCESS Macro v4.0.

Hypothesis:

2. *Banks' pricing strategy positively influences banks' performance.*

In the second model that is shown below, R^2 value (which is 0.3860) is again very low, but it should not be a cause for any concern as the reasons for this low value have already been discussed above. On top of this, the *F*-test statistics is statistically significant with $p<0.0001$. So, the available statistical evidence sufficiently confirms the adequacy of the model.

```
     **** TOTAL EFFECT MODEL - 2 ****
OUTCOME VARIABLE:
 BPR
Model Summary
     R      R-sq    MSE     F(HC3)    df1     df2        p
   .6213    .3860    .2056    16.4369    6.0000   194.0000
.0000
   TOTAL, DIRECT, AND INDIRECT EFFECTS OF X ON
Y
Total effect of X on Y:
 Effect  se(HC3)    t       p       LLCI     ULCI      c_cs
 .1480   .0892   1.6601   .0985   -.0278    .3239     .1444
Direct effect of X on Y:
 Effect    se(HC3)      t          p        LLCI        ULCI
c'_cs   .1245       .0893       1.3943     .1648     -.0516
.3007    .1215
Indirect effect(s) of X on Y:
   Effect     BootSE   BootLLCI   BootULCI
CS .0235       .0187     -.0012       .0695
 *** BOOTSTRAP RESULTS FOR REGRESSION MODEL PARAMETERS ***
```

Again, there is no statistical evidence to reject the null hypothesis banks' pricing strategy positively influences banks' performance as the test result's p-value > 0.05 and its confidence interval contains zero. The total effect (0.1480) is again equal to the sum of its components, i.e. the direct effect (0.1245) and indirect effect (0.0235) as OLS is the method that has been used for the regression analysis. In addition to these, the test results, with p-values>0.05 and confidence intervals that contain zero, confirm that there is no statistical evidence to reject the null hypotheses that banks' pricing strategy has a direct effect upon banks' performance when customer satisfaction is included in the model as another predictor of the outcome variable and that banks' pricing strategy has an indirect effect upon banks' performance through customer satisfaction.

Hypothesis:

3. *Banks' communication strategy positively influences banks' performance.*

In the third model that is shown below, R^2 value is the same as the previous models' R^2 values, but it should not be a cause for any concern as the reasons for this low value have already been discussed above. On top of this, the F-test statistics is statistically significant with a p<0.0001. So, this test result sufficiently confirms the adequacy of the model.

The test results, with p-values>0.05 and confidence intervals that contain zero, confirm that there is no statistical evidence to reject the null hypotheses that banks' communication strategy positively influences banks' performance; banks' communication strategy has a direct effect upon banks' performance when customer satisfaction is included in the model as another predictor of the outcome variable; and, banks' communication strategy has an indirect effect upon banks' performance through customer satisfaction. Furthermore, the total effect (0.1416) is equal to the sum of its components, i.e. the direct effect (0.1247) and indirect effect (0.0168) as OLS is the method that has been used for the regression analysis.

**** TOTAL EFFECT MODEL - 3** OUTCOME VARIABLE:**

BPR

Model Summary

R	R-sq	MSE	F(HC3)	df1	df2	p
.6213	.3860	.2056	16.4369	6.0000	194.0000	.0000

TOTAL, DIRECT, AND INDIRECT EFFECTS OF X ON Y

Total effect of X on Y:

Effect	se(HC3)	t	p	LLCI	ULCI	c_cs
.1416	.1033	1.3707	.1721	-.0621	.3453	.1333

Direct effect of X on Y:

	Effect	se(HC3)	t	p	LLCI	ULCI	
c'_cs	.1247	.1014	1.2304	.2200	-.0752	.3247	.1174

Indirect effect(s) of X on Y:

	Effect	BootSE	BootLLCI	BootULCI
CS	.0168	.0159	-.0052	.0554

****** BOOTSTRAP RESULTS FOR REGRESSION MODEL PARAMETERS ******

Hypothesis:

4. *Banks' distribution strategy positively influences banks' performance.*

The R^2 value of the fourth model is the same as the previous three models. So, its low value should not be a cause for any concern as this value on its own cannot show the inadequacy of the model. Furthermore, the reasons for this low value have been fully explained above. Most importantly, the *F*-test statistics is statistically significant with *p*<0.0001, thereby sufficiently confirming the adequacy of the model.

****** TOTAL EFFECT MODEL - 4**** OUTCOME VARIABLE:**

BPR

Model Summary

```
  R        R-sq       MSE       F(HC3)        df1          df2
p
 .6213    .3860      .2056     16.4369      6.0000    194.0000
.0000
```

***** TOTAL, DIRECT, AND INDIRECT EFFECTS OF X ON Y *****

Total effect of X on Y:

```
Effect      se(HC3)      t          p          LLCI         ULCI
c_cs
.0295      .0892      .3310     .7410    -.1463      .2054
.0266
```

Direct effect of X on Y:

```
Effect    se(HC3)      t          p          LLCI         ULCI
c'_cs .0406    .0872     .4650   .6425    -.1315     .2126
.0366
```

Indirect effect(s) of X on Y:

```
      Effect     BootSE    BootLLCI   BootULCI
CS   -.0111      .0141     -.0450      .0110
```

***** BOOTSTRAP RESULTS FOR REGRESSION MODEL PARAMETERS *****

The test results of the fourth model, with *p*-values>0.05 and confidence intervals that contain zero, also confirm that there is no statistical evidence to reject the null hypotheses that banks' distribution strategy positively influences banks' performance; banks' distribution strategy has a direct effect upon banks' performance when customer satisfaction is included in the model as another predictor of the outcome variable; and, banks' distribution strategy indirectly influences banks' performance through customer satisfaction. As the regression model has used OLS method, the total effect (0.0295) is also equal to the sum of its components, i.e. the direct effect (0.0406) and indirect effect (-0.0111).

Hypothesis:

5. *Banks' customer relationship strategy positively influences banks' performance.*

The R^2 value of the fifth model is the same as the previous four models. So, it is highlighted that its low value should not be a cause for any concern as this value on its own cannot show the inadequacy of the model. Most importantly, the *F*-test statistics is statistically significant with $p<0.0001$, thereby sufficiently confirming the adequacy of the model.

****** TOTAL EFFECT MODEL - 5 **** OUTCOME VARIABLE:**

BPR

Model Summary

R R-sq MSE F(HC3) df1 df2 p

.6213 .3860 .2056 16.4369 6.0000 194.0000

.0000

***** TOTAL, DIRECT, AND INDIRECT EFFECTS OF X ON Y *****

Total effect of X on Y:

Effect se(HC3) t p LLCI ULCI

c_cs .0295 .0892 .3310 .7410 -.1463 .2054

.0266

Direct effect of X on Y:

Effect se(HC3) t p LLCI ULCI

c'_cs .0406 .0872 .4650 .6425 -.1315

.2126 .0366

Indirect effect(s) of X on Y:

Effect BootSE BootLLCI BootULCI

CS -.0111 .0141 -.0450 .0110

***** BOOTSTRAP RESULTS FOR REGRESSION MODEL PARAMETERS *****

The test results that are shown in the fifth model, with $p>0.05$ and confidence intervals that contains zero, also confirm that there is no statistical evidence to reject the null hypotheses that banks' customer relationship strategy positively influences banks' performance. When this total effect statistics (0.0295) is decomposed into its components (i.e. the direct effect (0.0406) and the indirect effect (-.0111)) the lack of statistical evidence to reject the null hypotheses remains unchanged as the test results' p-values>0.05 and their confidence intervals contain zero. Thus, it is not possible to reject the null hypotheses that banks' customer relationship strategy has a direct influence upon banks' performance when the relationship is adjusted for the inclusion of customer satisfaction in the model as another predictor of the outcome variable; and, banks' customer relationship strategy has an indirect influence upon banks' performance through customer satisfaction.

Hypothesis:

6. *Banks' sustainable marketing strategy positively influences banks' performance.*

```
**** TOTAL EFFECT MODEL - 6 **** OUTCOME
VARIABLE:
 BPR
Model Summary
 R          R-sq        MSE       F(HC3)        df1         df2
p
.6213     .3860     .2056    16.4369      6.0000    194.0000
.0000
**** TOTAL, DIRECT, AND INDIRECT EFFECTS OF X ON Y ****
 Total effect of X on Y:
Effect     se(HC3)     t          p        LLCI       ULCI
c_cs .1268      .0948    1.3375   .1826    -.0602    .3139
.1324
Direct effect of X on Y:
Effect    se(HC3)     t          p        LLCI       ULCI
c'_cs .1062    .0907    1.1706   .2432    -.0727    .2852
.1109
Indirect effect(s) of X on Y:
      Effect     BootSE   BootLLCI   BootULCI
CS    .0206      .0179     -.0048     .0643
 **** BOOTSTRAP RESULTS FOR REGRESSION MODEL PARAMETERS ****
```

As the test result of the six model that is shown above shows it, there is no change to the value of the R^2. And, it is highlighted that this low R^2 value does not necessarily show the inadequacy of the model. On top of this, the *F*-statistics is statistically significant with $p<0.0001$, thereby sufficiently confirming the adequacy of the model irrespective of the R^2 value.

The test result that is shown in the above model with regard to the total effect of the explanatory variable upon the outcome variable is synonymous with the rest of the models' test results as there is no statistical evidence to reject the null hypothesis that banks' sustainable marketing strategy positively influences banks' performance. In addition to this, the test results confirm the lack of statistical evidence, with *p*-values> 0.05 and confidence intervals that contain zero, to reject the null hypotheses that banks' sustainable marketing strategy has a direct influence upon banks' performance when customer satisfaction is included in the model as another predictor of the outcome variable; and, banks' sustainable marketing strategy has an indirect influence upon banks' performance through customer satisfaction. The total effect (0.1268) is also equal to the sum of the direct effect (0.1062) and indirect effect (0.0206) as OLS is the method that has been used for the regression analysis.

Furthermore, comparative mediation analyses have been conducted by using SPSS v25 and Sobel test method to confirm the total, direct, and indirect effects of each of the explanatory variable upon the outcome variable, to encapsulate the nature and statistical significance of these relationships, and to enhance the confidence one can have on the findings. As a result of these, two simple and one multiple regression analyses have been conducted for each of the explanatory variable (i.e. a total of eighteen regression analyses for all of the explanatory variables) by using SPSS v25. In addition to these, Sobel test calculator by KJ Preacher has been used to determine the statistical significance of the indirect effect of each of the explanatory variable upon the outcome variable through the mediating variable.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.448[a]	.201	.197	.511	.201	50.069	1	199	.000

a. Predictors: (Constant), PS

Accordingly, as it is shown above, the R^2 value of the model that has been used to confirm the total effect of banks' product strategy upon banks' performance is 0.201, but this low value does not necessarily show the inadequacy of the model. Furthermore, the *F*-test statistics is statistically significant with a *p-value*<0.0001. Hence, this test result sufficiently confirms the adequacy of the regression model that has been fitted to determine the statistical significance of the total effect of banks' product strategy upon banks' performance.

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.955	.289		6.760	.000	1.385	2.525
	PS	.498	.070	.448	7.076	.000	.359	.636

a. Dependent Variable: BPR

As the above test result shows it, the total effect of banks' product strategy upon banks' performance is 0.498 with a *p*-value <0.0001 and confidence interval bounds that have the same sign. Thus, this finding confirms that banks' product strategy has statistically significant positive effect upon on banks' performance.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics R Square Change	F Change	df1	df2	Sig. F Change
1	.388[a]	.150	.146	.612	.150	35.210	1	199	.000

a. Predictors: (Constant), PS

The R^2 value of the regression model that has been used to establish the statistical significance of the relationship between the predictor variable and the mediating variable, i.e. customer satisfaction, is 0.15. But, this low value cannot be a matter of concern as R^2 value cannot on its own determine the adequacy of the model. In addition to this, the *F*-test statistics is statistically significant with a *p*-value<0.0001, thereby sufficiently confirming the adequacy of the regression model.

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients			95.0% Confidence Interval for B	
		B	Std. Error	Beta	T	Sig.	Lower Bound	Upper Bound
1	(Constant)	2.000	.346		5.773	.000	1.317	2.683
	PS	.500	.084	.388	5.934	.000	.334	.666

a. Dependent Variable: CS

As the above table shows it, the test result, with a test statistics of 0.5 and a *p*-value<0.0001, confirms that banks' product strategy has statistically significant positive effect upon customer satisfaction.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.541[a]	.292	.285	.482	.292	40.861	2	198	.000

a. Predictors: (Constant), CS, PS

The R^2 value of the multiple regression model, in which banks' product strategy and customer satisfaction are used as predictors of the outcome variable is 0.292. But, this low value cannot have any impact on the adequacy of the model due to the reasons that have already been discussed. In addition to this, the *F*-test statistics 40.861, is statistically significant with a *p*-value<0.001. Hence, this test result sufficiently confirms the adequacy of the model irrespective of the R^2 value.

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.391	.295		4.719	.000	.810	1.973
	PS	.357	.072	.321	4.954	.000	.215	.499
	CS	.282	.056	.327	5.049	.000	.172	.392

a. Dependent Variable: BPR

As the above table shows it, the test result confirms that banks' product strategy has statistically significant direct effect upon banks' performance when customer satisfaction is included in the model as another predictor of the outcome variable. In addition to this, the result confirms that customer satisfaction has statistically significant direct effect upon banks' performance when banks' product strategy is included in the model as another predictor of the outcome variable.

The indirect effect of banks' product strategy upon banks' performance when the influence is channeled through customer satisfaction is represented by a statistics which is the product of the unstandardized coefficient of the relationship between banks' product strategy and customer satisfaction and the unstandardized coefficient of the relationship between customer satisfaction and banks' performance, i.e. 0.5 x 0.282. And, a test has been conducted by using the two unstandardized coefficients, their corresponding standard errors, and Sobel test calculator that was produced by KJ Preacher to determine the statistical significance of this statistics, 0.141. Therefore, the test result, with a Z-value of 3.84448686 and a *p-value*<0.001, confirms that the indirect effect of banks' product strategy upon banks' performance, which is represented by a test statistics of 0.141, is statistically significant. It is also worth noting that the total effect statistics (0.498) is equal to the sum of the direct and indirect effects statistics (i.e. 0.357 and 0.141) as OLS is the method that has been used for the regression analysis.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.459[a]	.211	.207	.508	.211	53.131	1	199	.000

a. Predictors: (Constant), PRS

As the above table shows it, the adequacy of the regression model that has been used to determine the total effect of banks' pricing strategy upon banks' performance has been confirmed by the *F*test result, with a statistics of 53.131 and a *p*-value<0.0001, though the R^2 value remains low due to the reasons which have already been discussed. Furthermore, the coefficients' table that is shown below confirms that the total effect of banks' pricing strategy upon banks' performance is statistically significant with a *p*-value < 0.0001 and confidence interval bounds that have the same sign.

Coefficients

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.	95.0% Confidence Interval for B Lower Bound	Upper Bound
1	(Constant)	2.089	.263		7.955	.000	1.571	2.607
	PRS	.471	.065	.459	7.289	.000	.343	.598

a. Dependent Variable: BPR

As the model summary table that is shown below shows it, the *F*-test result, with a statistics of 45.502 and a *p-value*<0.0001, sufficiently confirms, irrespective of the R^2 value, the adequacy of the regression model that has been fitted to determine the statistical significance of the relationship between banks' pricing strategy and customer satisfaction.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Stati R Square Change	F Change	df1	df2	Sig. F Change
1	.431[a]	.186	.182	.599	.186	45.502	1	199	.000

a. Predictors: (Constant),
PRS

The test result in the beneath coefficients' table, a *p-value*<0.0001 and confidence interval bounds that have the same sign, confirms that banks' pricing strategy has statistically significant positive effect upon customer satisfaction.

Coefficients

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.	95.0% Confidence Interval for B Lower Bound	Upper Bound
1	(Constant)	1.969	.310		6.357	.000	1.358	2.580
	PRS	.514	.076	.431	6.746	.000	.364	.664

a. Dependent Variable: CS

The *F*-test result that is shown in the beneath model summary table, with a statistics of 40.445 and *p*-value<0.0001, also sufficiently confirms, irrespective of the R^2 value, that the multiple regression model that has been used to confirm the direct effect of banks' pricing strategy upon banks' performance, when customer satisfaction is included in the model as another predictor of the outcome variable, and to determine the effect of customer satisfaction upon banks' performance is adequate.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics R Square Change	F Change	df1	df2	Sig. F Change
1	.539[a]	.290	.283	.483	.290	40.445	2	198	.000

a. Predictors: (Constant), CS, PRS

As the beneath coefficients' table shows it, the findings confirm that banks' pricing strategy has statistically significant direct effect upon banks' performance, when customer satisfaction is included in the model as another predictor, and that customer satisfaction has statistically significant direct effect upon banks' performance when banks' pricing strategy is included in the model as another predictor of the outcome variable.

Coefficients

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.	95.0% Confidence Interval for B Lower Bound	Upper Bound
1	(Constant)	1.560	.274		5.695	.000	1.020	2.100
	PRS	.333	.068	.324	4.887	.000	.198	.467
	CS	.269	.057	.312	4.703	.000	.156	.381

a. Dependent Variable: BPR

The statistical significance of the indirect effect, 0.138, (which is the product of the unstandardized coefficient of the relationship between banks' pricing strategy and customer satisfaction, 0.514, and the unstandardized coefficient of the relationship between customer satisfaction and banks' performance, 0.269) has also been determined by using the two unstandardized coefficients, their associated standard errors, and Sobel test calculator that was produced by KJ Preacher. And, the test result confirms, with the *Z*-value of 3.87020456, standard error of 0.036, and *p*-value<0.001,

that banks' pricing strategy has statistically significant indirect effect upon banks' performance when the effect is directed through customer satisfaction. This analysis also confirms that the total effect of banks' pricing strategy upon banks' performance (0.471) is equal to the sum of its components, i.e. the direct effect (0.333) and indirect effect (0.138).

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics: R Square Change	F Change	df1	df2	Sig. F Change
1	.429[a]	.184	.180	.516	.184	44.976	1	199	.000

a. Predictors: (Constant), CMS

As the above model summary table shows it, the adequacy of the regression model that has been used to confirm the total effect of banks' communication strategy upon banks' performance has been confirmed, despite low R^2 value, by the *F*-test result which is statistically significant with a statistics of 44.976 and *p-value*<0.0001.

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients			95.0% Confidence Interval for B	
		B	Std. Error	Beta	t	Sig.	Lower Bound	Upper Bound
1	(Constant)	2.122	.280		7.575	.000	1.570	2.675
	CMS	.456	.068	.429	6.706	.000	.322	.590

a. Dependent Variable: BPR

The test result in the above coefficients' table also confirms that the total effect of banks' communication strategy upon banks' performance is statistically significant as the test statistics has confidence interval bounds that have the same sign with *p-value*<0.0001.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.371[a]	.137	.133	.617	.137	31.668	1	199	.000

a. Predictors: (Constant), CMS

As the model summary above shows it, the simple regression model that has been used to establish the relationship between banks' communication strategy and customer satisfaction is also adequate. Because, the *F*-test result, with a statistics of 31.668 and *p-value*<0.0001, is statistically significant in spite of the low R^2 value, which on its own provides inconclusive evidence about the adequacy of a regression model.

Coefficients

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.	95.0% Confidence Interval for B Lower Bound	95.0% Confidence Interval for B Upper Bound
1	(Constant)	2.172	.335		6.488	.000	1.512	2.832
	CMS	.457	.081	.371	5.627	.000	.297	.618

a. Dependent Variable: CS

The test result in the above coefficients' table also confirms, with a *p-value*<0.0001 and confidence interval bounds that have the same sign, that banks' communication strategy has statistically significant positive effect upon customer satisfaction.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics R Square Change	F Change	df1	df2	Sig. F Change
1	.533[a]	.284	.277	.485	.284	39.243	2	198	.000

a. Predictors: (Constant), CS, CMS

The adequacy of the multiple regression model, in which both banks' communication strategy and customer satisfaction have been used as predictors, has been sufficiently confirmed by the *F*-test result, which is statistically significant with a test statistics of 39.243, a *p*-value<0.0001, and confidence interval bounds that have the same sign in spite of low R^2 value.

Coefficients

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.	95.0% Confidence Interval for B Lower Bound	Upper Bound
1	(Constant)	1.487	.290		5.134	.000	.916	2.058
	CMS	.322	.069	.304	4.687	.000	.187	.458
	CS	.292	.056	.340	5.246	.000	.182	.402

a. Dependent Variable: BPR

As the finding in the above coefficients' table confirms it with a *p-value*<0.0001 and confidence interval bounds have the same sign, banks' communication strategy has statistically significant direct effect upon banks' performance when the relationship is adjusted for the presence of customer satisfaction in the model as another predictor of the outcome variable. In addition to this, the finding , with a *p-value*<0.0001 and confidence interval bounds that have the same sign, confirms that customer satisfaction has statistically significant positive influence upon banks' performance when banks' communication strategy is included in the model as another predictor of the outcome variable.

On top of these, a test has been conducted by using Sobel test calculator that was produced by KJ Preacher to determine the statistical significance of the indirect effect, 0.134, which is the product of the two unstandardized coefficients of the relationship between banks' communication strategy and customer satisfaction and the relationship between customer satisfaction and banks' performance, i.e. 0.457 x 0.292. And, the test result, with a *Z*-value of

3.82934038, standard error of 0.035, and a *p*-value<0.001, confirms that banks' communication strategy has statistically significant positive impact upon banks' performance when the influence is channeled through customer satisfaction. The analysis also confirms that the total effect (0.456) is equal to the sum of its components, i.e. the direct effect (0.322) and indirect effect (0.134).

As the beneath model summary shows it, the *F*-test result, with a statistics of 42.209 and a *pvalue*<0.0001, sufficiently confirms the adequacy of the simple regression model that has been used to determine the total effect of banks' distribution strategy upon banks' performance, though R^2 value is reasonably low.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics: R Square Change	F Change	df1	df2	Sig. F Change
1	.418[a]	.175	.171	.519	.175	42.209	1	199	.000

a. Predictors: (Constant), DS

The test result that has been shown by the beneath coefficients' table also confirms, with a *pvalue*<0.0001 and confidence interval bounds that have the same sign, that the total effect of banks' distribution strategy upon banks' performance is statistically significant.

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients			95.0% Confidence Interval for B	
		B	Std. Error	Beta	t	Sig.	Lower Bound	Upper Bound
1	(Constant)	2.050	.300		6.833	.000	1.459	2.642
	DS	.464	.071	.418	6.497	.000	.323	.604

a. Dependent Variable: BPR

The adequacy of the simple regression model that has been fitted to establish the relationship between banks' distribution strategy and customer satisfaction has also been confirmed by the *F* test result, which is statistically significant with a statistics of 24.639 and a *p-value*<0.0001, in spite of the R^2 value which is reasonably low.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics: R Square Change	F Change	df1	df2	Sig. F Change
1	.332[a]	.110	.106	.626	.110	24.639	1	199	.000

a. Predictors: (Constant), DS

The test result in the beneath coefficients' table also confirms, with a *p*-value<0.0001 and confidence interval bounds have the same sign, that banks' distribution strategy has statistically significant positive effect upon customer satisfaction.

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients			95.0% Confidence Interval for B	
		B	Std. Error	Beta	t	Sig.	Lower Bound	Upper Bound
1	(Constant)	2.256	.362		6.232	.000	1.542	2.970
	DS	.427	.086	.332	4.964	.000	.258	.597

a. Dependent Variable: CS

The *F*-test result which is shown by the beneath model summary also confirms, with a statistics of 39.514 and a *p*-value<0.0001, that the multiple regression model that has been fitted to establish the direct effect of banks' distribution strategy upon banks' performance when the relationship is adjusted for the presence of customer satisfaction in the model as another predictor of the outcome variable is statistically significant despite the R^2 value which is reasonably low.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.534[a]	.285	.278	.484	.285	39.514	2	198	.000

a. Predictors: (Constant), CS, DS

The test results which are shown by the beneath coefficients' table also confirm, with a *p*values<0.001 and confidence interval bounds that have the same sign, that banks' distribution strategy has statistically significant direct effect upon banks' performance when the relationship is adjusted for the inclusion of customer satisfaction in the model as another predictor of the outcome variable. In addition to this, the finding confirms that customer satisfaction has statistically significant positive influence upon banks' performance when the relationship is adjusted for the presence of banks' distribution strategy in the model as another predictor of the dependent variable.

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.367	.306		4.465	.000	.763	1.970
	DS	.334	.071	.301	4.733	.000	.195	.473
	CS	.303	.055	.352	5.527	.000	.195	.411

a. Dependent Variable: BPR

The statistical significance of the indirect effect of banks' distribution strategy upon banks' performance via customer satisfaction (which is equal to 0.130) has also been determined by using Sobel test calculator that was produced by JK Preacher, the two unstandardized coefficients of the relationship between banks' distribution strategy and customer satisfaction (0.427) and the relationship between customer satisfaction and banks' performance (0.303), and the two standard errors that are associated with them, 0.086 and 0.055, respectively. And, the test result, with a *Z*value of 3.68823255, standard error of 0.035, and a *p-value*<0.001, confirms that banks' distribution strategy has statistically significant indirect effect upon banks' performance via customer satisfaction. On top of these, the analysis confirms that the total effect (0.464) is equal to the sum of its components, i.e. the direct effect (0.334) and indirect effect (0.130).

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.524[a]	.275	.271	.486	.275	75.476	1	199	.000

a. Predictors: (Constant), CRS

The *F*-test result that is shown by the above model summary table sufficiently confirms, with a statistics of 75.476 and $p<0.0001$, that the simple regression model that has been fitted to confirm the total effect of banks' customer relationship strategy upon banks' performance is adequate despite its R^2 value which is reasonably low. The test result which is shown by the beneath coefficients' table also confirms that the total effect of banks' customer relationship strategy upon banks' performance is statistically significant with a *p*-value<0.0001 and confidence interval bounds that have the same sign.

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.935	.238		8.118	.000	1.465	2.406
	CRS	.509	.059	.524	8.688	.000	.394	.625

Dependent Variable: BPR

The simple regression model that has been fitted to establish the relationship between banks' customer relationship strategy and customer satisfaction is also adequate as its *F*-test result, with a statistics of 70.761 and a *p*-value<0.0001, is statistically significant despite its R^2 value is which is reasonably low.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.512[a]	.262	.259	.570	.262	70.761	1	199	.000

a. Predictors: (Constant), CRS

The test result that is shown by the beneath coefficients' table also confirms, a *p*-value<0.0001 and confidence interval bounds that have the same sign, that banks' customer relationship strategy has statistically significant positive impact upon customer satisfaction.

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.714	.279		6.134	.000	1.163	2.265
	CRS	.578	.069	.512	8.412	.000	.442	.713

a. Dependent Variable: CS

As the beneath model summary table shows it, even though the R^2 value is reasonably low, the *F*test result, with a statistics of 46.727 and *p-value*<0.0001, is statistically significant, thereby sufficiently confirming the adequacy of the multiple regression model that has been fitted to confirm the direct effect of banks' customer relationship strategy upon banks' performance when the relationship is adjusted for the inclusion of customer satisfaction in the model as another predictor of the outcome variable.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.566[a]	.321	.314	.472	.321	46.727	2	198	.000

a. Predictors: (Constant), CS, CRS

The test result in the beneath coefficients' table, with a *p-value*<0.0001 and confidence interval bounds that have the same sign, also confirms that banks' customer relationship strategy has statistically significant direct effect upon banks' performance when the relationship is adjusted for the effect of customer satisfaction as another predictor of the outcome variable. The finding also shows, with a *p-value*<0.0001 and confidence interval bounds have the same sign, that customer satisfaction has statistically significant positive impact upon banks' performance when the relationship is adjusted for the influence of customer relationship strategy as another predictor of the outcome variable.

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.568	.252		6.217	.000	1.071	2.066
	CRS	.386	.066	.397	5.821	.000	.255	.516
	CS	.214	.059	.249	3.648	.000	.098	.330

a. Dependent Variable: BPR

The statistical significance of the indirect effect, 0.124, (which is the product of the two unstandardized coefficients of the relationship between banks' customer relationship strategy and customer satisfaction (0.578) and the relationship between customer satisfaction and banks' performance, 0.214) has also been determined by using the two unstandardized coefficients, their associated standard errors, and Sobel test calculator that was produced by KJ Preacher. And, the test result, with a *Z*-score 3.32849367, standard error of 0.037, and a *p-value*<0.001, confirms that banks' customer relationship strategy has statistically significant indirect effect upon banks' performance when the effect is directed through customer satisfaction. In addition to this, the analysis confirms that the total effect (0.51) is equal to the sum of its components, i.e. the direct effect (0.386) and indirect effect (0.124).

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.518[a]	.268	.264	.489	.268	72.906	1	199	.000

a. Predictors: (Constant), SMS

As the above model summary table shows it, the *F*-test result, with a statistics of 72.906 and a *pvalue*<0.0001, confirms the adequacy of the simple regression model that has been fitted to determine the total effect of banks' sustainable marketing strategy upon banks' performance despite R^2 value which is reasonably.

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.983	.237		8.369	.000	1.516	2.451
	SMS	.496	.058	.518	8.539	.000	.382	.611

a. Dependent Variable: BPR

Furthermore, the test result in the above coefficients' table confirms, with an unstandardized coefficient of 0.496, standard error of 0.058, *p-value*<0.0001, and confidence interval bounds that have the same sign, that banks' sustainable marketing strategy has statistically significant effect upon banks' performance.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Stati R Square Change	F Change	df1	df2	Sig. F Change
1	.492[a]	.242	.238	.578	.242	63.420	1	199	.000

a. Predictors: (Constant), SMS

As the above model summary table shows it, the *F*-test result confirms, with a statistics of 63.420 and a *p-value*<0.000, that the simple regression model that has been fitted to determine the relationship between banks' sustainable marketing strategy and customer satisfaction is also adequate in spite of the R^2 value which is reasonably low.

Coefficients

Model		Unstanda Coefficie B	Std. Error	Standardized Coefficients Beta	t	Sig.	95.0% Confidence Interval for B Lower Bound	Upper Bound
1	(Constant)	1.832	.280		6.536	.000	1.279	2.384
	SMS	.547	.069	.492	7.964	.000	.412	.683

a. Dependent Variable: CS

The test result that is shown by the above coefficients' table also confirm, with a *p-value*<0.0001 and confidence interval bounds that have the same sign, that banks' sustainable marketing strategy has statistically significant positive influence upon customer satisfaction.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Stati R Square Change	F Change	df1	df2	Sig. F Change
1	.565[a]	.320	.313	.472	.320	46.501	2	198	.000

a. Predictors: (Constant), CS, SMS

The *F*-test result in the above model summary table also confirms, with a statistics of 46.501 and a *p-value*<0.0001, that multiple regression model that has been fitted to determine the direct effect of banks' sustainable marketing strategy upon banks' performance and to establish the nature of the relationship between customer satisfaction and banks' performance is adequate, though its R^2 value is reasonably low.

Coefficients

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.	95.0% Confidence Interval for B Lower Bound	Upper Bound
1	(Constant)	1.573	.252		6.229	.000	1.075	2.070
	SMS	.373	.064	.390	5.790	.000	.246	.501
	CS	.224	.058	.261	3.870	.000	.110	.338

a. Dependent Variable: BPR

This multiple regression analysis, as it is shown by the above coefficients' table, confirms, with a *p-value*<0001 and confidence interval bounds that have the same sign, that banks' sustainable marketing strategy has statistically significant direct effect upon banks' performance when the relationship is adjusted for the inclusion of customer satisfaction in the model as another predictor of the outcome variable. On top of this, the analysis confirms with the same level of statistical significance that customer satisfaction has statistically significant positive impact upon banks’ performance when the relationship is adjusted for the effect banks’ sustainable marketing strategy as another predictor of the outcome variable.

The statistical significance of the indirect effect of banks’ sustainable marketing strategy upon banks’ performance through customer satisfaction, which is represented by a statistics that is the product of the two unstandardized coefficients of the relationship between banks’ sustainable marketing strategy (0.547) and the relationship between customer satisfaction and banks’ performance (0.224), has been determined by using Sobel test calculator that was produced by JK Preacher, the two unstandardized coefficients, and their associated standard errors. And, the test result, with a *Z*-score of 3.47197192, standard error of 0.035, and *p-value*<001, confirms that

banks’ sustainable marketing has statistically significant indirect effect upon banks’ performance when the effect is channel through customer satisfaction. The accuracy of the analysis has also been confirmed by the fact that the total effect between the explanatory and the dependent variable (0.496) being equal to the sum of its components, i.e. the direct effect (0.373) and indirect effect (0.123).

Chapter Six

Discussion

6.1. Introduction

The aim of this chapter is to interpret and discuss the findings, to reflect on the implication of the findings for the research questions and objectives, to sate how the findings illuminate the research question and objectives, to relate the findings to the relevant theories that were discussed in the literatures review section, and to discuss the strengths and possible limitations of the findings (Saunders et al, 2019; Bryman and Bell, 2011). And, the research objectives that were stated in chapter one are:

1. To establish the causes of some of the inadequacies of Ethiopian commercial banks' marketing strategies and mixes.
2. To establish the effect of banks' marketing strategies upon banks' performance.
3. To establish how customer satisfaction mediates the relationship between banks' marketing strategies and banks' performance.

The research questions that are the main focus of this study are:

1. What are the causes for some of the inadequacies of Ethiopian Commercial Banks' marketing strategies and mixes?
2. How does product strategy impact on banks' performance?
3. How does pricing strategy impact on banks' performance?
4. How does communication strategy impact on banks' performance?
5. How does distribution strategy impact on banks' performance?
6. How does customer relationship strategy impact on banks' performance?
7. How does sustainable marketing strategy impact on banks' performance?
8. How does customer satisfaction mediate the relationship between marketing strategy and banks' performance?

Accordingly, this chapter has been organized into four major sections on the basis of the research objectives. The first section discusses the causes of some of the inadequacies of Ethiopian commercial banks' marketing strategies (including market segmentation, targeting, differentiation, and positioning) and marketing mixes. This section also discusses the reason why Ethiopian banks are not rolling out debit card as a default means of transaction, paying bills, and operating current accounts. The second part of the discussion focuses on describing the effect of banks' marketing strategy (such as banks' product, pricing, communication, distribution, customer relationship, and sustainable marketing strategies) upon banks' performance. The third part of the discussion highlights the mediating role of customer satisfaction in the relationship between banks' marketing strategy and banks' performance. And, the final part of the discussion revolves around the strengths and possible imitations of the findings.

6.2. Ethiopian Commercial Banks Marketing Strategy and Mix

This section discusses the findings that are related to the first research objective, which is to establish the causes of some of the inadequacies of Ethiopian commercial banks marketing strategies (including market segmentation, targeting, differentiation, and positioning) and marketing mixes. This discussion also highlights the reasons that are responsible for the country's banks failure to roll out debit card as a default means of transaction, paying bills, and operating current accounts and failure to provide standing order service that enables their customers to pay their bills, including monthly phone bills, directly from their bank accounts. Thus, this part of the discussion aims at illuminating the first research objective and reflecting on the implication of the findings for both the research objective and question.

Accordingly, eight marketing managers were selected by using quota sampling techniques from eight banks that were randomly selected from the county's twenty seven banks, though eleven of them were interviewed by using semi-structured interview method. Then, the data have been analyzed qualitatively by using thematic analysis technique.

As the findings show it, the reasons for some of the inadequacies of Ethiopian commercial banks' marketing strategies (including market segmentation, targeting, differentiation, and positioning) and marketing mixes are failures on the parts of the banks, lack of originality, failure on the part of the county's financial regulatory body in providing adequate legal framework, lack of capacity to produce debit cards in the county, lack of citizens national database, lack of adequate banking infrastructure, lack of banking service awareness on the parts of their customers, the undergrowth of the country's marketing practices, and the infancy of the country's financial and banking systems, though they try to differentiate their offer and position them by using factors, such as their names, product names or features, customer services, customer base, interest rates, fees, sales promotion, accessibility, and technology. In addition to these, the real reasons that are to be blamed for the country's banks failure to roll out debit card as a default means of transaction, paying bills, and operating current accounts and for their failure to provide a standing order service that enable their customers to pay their bills, including their monthly telephone bills, directly from their bank accounts are absence of adequate marketing strategies that enable the banks to transform the country's banking system into card system and the infancy of the country's financial and banking systems, respectively. Their limited understanding about the use of debit cards that they are only used to withdraw cash from ATMs, though debit cards are used for a number of things, including shopping and accessing current accounts, is another contributory factor for this problem.

When the two main reasons that some of the country's banks cite for not rolling out debit cards (i.e. absence of obligatory legal framework and lack of capacity to produce the cards in the country) are closely examined, it is reasonable to reach at a conclusion that these reasons are not sufficient. Because, banks do not need to have obligatory legal framework to provide debit cards to all of their customers as standard means of accessing current accounts (i.e. without being requested by their customers). Secondly, lack of capacity to produce the cards in the country cannot necessarily stop them from achieving this as long as they have credible marketing strategy in place to transform their services into card system. So, the real cause of this problem is a failure on the part of the banks in adopting credible marketing strategy.

The inadequacy of the country's banks marketing practices and strategies is also demonstrated by their failure to use POS terminals inside their branches. One of the apparent reasons for this failure is that they do not require their customers to have debit cards in order to access their accounts.

And, this demonstrates the fact that the county's banks do not have any credible plan or marketing strategy in place to transform the county's banking service into card system. On top of this, they have not managed to expand the limited services that they have at certain supermarkets and hotels that operate in Addis Ababa to all businesses that operate in the country. It is also worth highlighting that these findings, especially the fact that the country's banks digital banking services and marketing practices have not grown fully are consistent with the findings of Desalegn & Yemataw (2017), Yeneneh et al. (2018), and Tafese & Lemma (2014). Even though most banks cite lack of adequate banking infrastructure, lack of banking service awareness on the parts of their customers, and the infancy of the country's financial system as main reasons for not being able to expand POS terminals throughout the country and make it a standard means of accessing banking service, these reasons are not sufficient. Because, if the country's banks had adequate marketing strategies in place, they would eventually be able to overcome these challenges as these problems are not uniquely related to POS terminals. For example, the country's lack of adequate banking infrastructure, which applies to their entire banking service, has not stopped them from running the rest of their banking services. And, this shows the fact that they would eventually be able to make POS terminals part of their standard banking services despite the inadequacy of the county's banking infrastructure, which often manifests itself in the form of frequent interruptions and low speed, if they had thought through the matter carefully and put credible marketing strategy in place.

Lack of banking service awareness or some of the misconception that their customers have about digital banking services is also something that can be addressed though putting adequate marketing strategy, including well-crafted communication strategy, in place. In addition to this, the infancy of the country's financial system is something that could have gradually evolved to maturity had they had adequate marketing and other strategies in place. Despite these facts, the findings that are related to POS terminals do not discount the role of the country's financial regulatory body in delineating the role of the country's businesses and banks in rolling out POS terminals throughout the country, and in making it an affordable standard banking service.

As the finding shows it, most of the country's banks lack basic knowledge about credit card, though they cite absence of adequate legal framework and citizens' national database for not offering credit card to some of their market segments. And, the finding shows that these reasons are valid, and require response or intervention from the county's financial regulatory body. In addition to this, as the findings show it, most of the country's banks marketing strategies are highly synonymous, and lack originality. And, these could have obvious detrimental effects, including causing possible mismatch between the banks' marketing strategies and their target markets, upon the adequacy and relevance of the banks' marketing strategies.

It is also useful to state that these findings have very important implications for the research objective and question as they achieve the research objective and address the research question by establishing by establishing the causes of some of the inadequacies of Ethiopian commercial banks' marketing strategies and mixes. In addition to these, the practical implications of these findings is that the opportunity to transform the country's banking service into card system is fully in the hands of Ethiopian commercial banks as long as they adopt bold and credible marketing strategies and work very closely with the country's financial regulatory body.

6.3. Effect of Marketing Strategy upon Banks' performance

This second part of the discussion is related to the second research objective, which is to establish the effect of banks' marketing strategies upon the banks' performance, and reflects on the implications of the findings for the research objective and questions. Accordingly, the findings of the qualitative analysis show that banks' marketing strategy (which is represented by product, pricing, communication, distribution, customer relationship, and sustainable marketing strategies) has direct and positive impacts upon banks' financial and market share performances. And, this finding is consistent with what was said by Hooley et al. (2008), who stated the fact that there was a link between companies' marketing efforts and their financial performance, and with the theoretical framework put in place by Kotler & Keller (2016) and which states that there is a positive and causal relationship between companies' strategic approach to marketing and their performance. Thus, this shows that finding of qualitative data analysis confirms what the theoretical and most empirical literatures say about the relationship that is believed to exist between marketing strategy and banks' financial and market share performance. Above all, this finding has very useful implication for the research objective and questions as it achieves the research objective and answers the research questions.

In addition to the findings of qualitative data analysis, the relationship between each component of banks' marketing strategy and their performances has been quantitatively analyzed by using descriptive statistics. Accordingly, the findings of the descriptive analysis that was conducted by using SPSS v25 show that at least 73.1%, 69. 2%, 70.6%, 70.6%, 65.7%, and 64.7% of the respondents agree, amongst other things, with the preposition that their banks' product, pricing, distribution, communication, customer relationship, and sustainable marketing strategies have positive effects upon their banks' financial and market share performances, respectively. In addition to these, at least 56.2% of the respondents agree that their customers' satisfaction has positive influence upon their banks' financial and market share performances. Hence, these findings are congruent with what the theoretical and most empirical literatures say, and with the findings of the qualitative data analysis. Most importantly, these findings have very important implications for the research objective and questions as they achieve the research objective and answer the research questions by establishing the positive effects that banks' marketing strategy (product, pricing, communication, distribution, customer relationship, and sustainable marketing strategies) has upon banks' performance.

Furthermore, the relationship between each component of banks' marketing strategy and their performances were quantitatively analyzed by using inferential statistics. This means that further quantitative analyses were conducted by using regression analyses and Sobel test method. In addition to these, hypotheses were tested by using bootstrapping method. Accordingly, the finding with regard to the first research question confirms that banks' product strategy has statistically significant direct and indirect effects upon banks' performance. In other words, what this means is that banks' product strategy has substantial direct and indirect influences upon banks' financial and market share performances. While the direct effect statistics shows that banks' product strategy results in 0.357 unit direct increase in banks' performance per one unit increase in product strategy when the effect is adjusted for the inclusion of customer satisfaction in the model as another predictor of the outcome variable, the indirect effect shows that banks' product strategy results in 0.141 unit indirect increase in banks' performance per one unit increase in banks' product strategy when the effect is channeled through customer satisfaction.

It is also worth noting that customer satisfaction has in turn statistically significant direct effect upon banks' performance when banks' product strategy is included in the model as another predictor of the outcome variable. And, these test results indicate the important role of customer satisfaction in the relationship between banks' product strategy and their financial and market share performances. The test results of the hypotheses (which are related to the total, direct, and indirect relationships between banks' product strategy and banks' performance, and have been tested by using bootstrapping method) also show that the hypotheses were not rejected.

Hence, the finding that banks' product strategy has direct influence upon banks' performance is consistent with the finding of Akwam & Yua (2021) - who found strong and positive relationship between banks' products and their financial performance, and Sandra (2019) - who acknowledged the fact that product strategy would impact upon banks' financial performance. Furthermore, the practical implication of this finding (i.e. ceteris paribus) is that banks that have adequate product strategy in place would have better financial returns and market shares than those with no or inadequate product strategy. And, this finding sends clear message to banks that having credible marketing strategy, including product strategy, in place is advantageous, and pays off.

The finding that is related to the third research question illuminates how banks' pricing strategy influences banks' performance by confirming that banks' pricing strategy has statistically significant direct and indirect effects upon banks' performance. While the direct effect statistics shows that banks' pricing strategy results in 0.333 unit direct increase in banks' performance per one unit increase in banks' pricing strategy when the effect is adjusted for the presence of customer satisfaction in the model as another predictor of the outcome variable, the indirect effect statistics shows that banks' pricing strategy results in 0.138 unit indirect increase in banks' performance per one unit increase in banks' pricing strategy when the effect is directed through customer satisfaction. The finding also confirms that banks' customer satisfaction has in turn statistically significant direct effect upon banks' performance when the relationship is adjusted for the presence of banks' pricing strategy in the model as another predictor of the outcome variable.

The test results of the hypotheses (which are related to the total, direct, and indirect relationships between banks' pricing strategy and banks' performance, and have been tested by using bootstrapping method) also show that the hypotheses were not rejected. Thus, the finding that banks' pricing strategy has statistically significant direct effect upon banks' performance is consistent with the findings of a number of scholars, including Nwambeke et al. (2020), Nafuna et al. (2019), and Muema & Nyaga (2017) who found statistically significant direct relationship between companies' or banks' pricing strategies and their financial performances.

Furthermore, these findings have very important implications for the research objective and question as they achieve the research objective and answer the research question by establishing the direct and indirect effects of banks' marketing strategy, including banks' pricing strategy, upon banks' performance. It is also worth mentioning that the finding addresses the research question robustly as it is consistent with what the theoretical and empirical literatures suggest and with the finding of the qualitative analysis. The practical implications of this finding are also significant as they confirm (i.e. ceteris paribus) that banks that have better pricing strategies will have better financial returns and market shares than those with no or inadequate pricing strategies. And, this affirms the fact that banks need to put in place credible pricing strategies and utilize all their pricing tools properly so as to increase their financial and market share performances.

The findings also illuminate the strong relationship that exists between a company's communication strategy and its performance, and confirm that banks' communication strategy has statistically significant direct and indirect effects upon banks' performance. While the direct effect statistics shows that banks' communication strategy results in 0.322 unit direct increase in banks performance per one unit increase in banks' communication strategy when the relationship is adjusted for the inclusion of customers satisfaction in the model as another predictor of the outcome variable, the indirect effect statistics shows that banks' communication strategy results in 0.134 unit indirect increase in banks' performance per one unit increase in banks' communication strategy when the effect is channeled through customer satisfaction. In addition to this, the finding confirms that banks' communication strategy has statistically significant direct effect upon customers' satisfaction, which in turn has statistically significant positive effect upon banks' performance when the relationship is adjusted for the effect of banks' communication strategy as another predictor of the outcome variable. The test results of the hypotheses (which are related to the total, direct, and indirect relationships between banks' communication marketing strategy and banks' performance, and have been tested by using bootstrapping method) also show that the hypotheses were not rejected.

It is also worth highlighting that these findings are consistent with the findings of many scholars, including Yeneneh et al. (2018) - who found statistically significant positive relationships between advertisement and customer satisfaction, Sandra (2019) – who found statistically significant positive relationship between banks' promotional efforts and their sales performance, Zephaniah et al. (2020) – who found statistically significant positive relationship between banks' marketing communication and their customers' satisfaction or loyalty, Mahboub (2018) – who found statistically significant positive relationship between banks' social media and their performance, and Pan et al. (2019) – who found positive relationship between a company's social media marketing and its sales revenue. But, another finding of Zephaniah et al. (2020) that there is no statistically significant relationship between banks' direct marketing (direct selling) and customers' loyalty or satisfaction is contrary to the findings of this study and there is no evidence, including theoretical evidence, which supports it.

Thus, these findings have very important and significant implications for the research objective and question as they provide substantial and unambiguous statistical evidence which confirms all forms of relationships that exist between banks' communication strategy and banks' performance. Their practical implications are also significant as they confirm (i.e. ceteris paribus) that banks that adopt credible communication strategies that meet their customer needs will have better financial and market share performances than those with no or inadequate communication strategies.

The findings that are related to the relationship between banks' distribution strategy and banks' performance confirm that banks' distribution strategy has statistically significant direct and indirect effects upon banks' performance. Accordingly, the direct effect statistics confirms that banks' distribution strategy results in 0.334 unit direct increase in banks' performance per one unit increase in distribution strategy when the relationship is adjusted for the inclusion of customer satisfaction in the model as another predictor of the outcome variable. On the other hand, the indirect effect statistics confirms that banks' distribution strategy results in 0.130 unit indirect increase in banks' performance per one unit increase in banks' distribution strategy when the effect is channeled through customer satisfaction. In addition to these, the finding confirms that customer satisfaction has statistically significant positive influence upon banks' performance when the relationship is adjusted for the presence of banks' distribution strategy in the model as another predictor of the dependent variable. The test results of the hypotheses (which are related to the total, direct, and indirect relationships between banks' distribution marketing strategy and banks' performance, and have been tested by using bootstrapping method) also show that the hypotheses were not rejected.

It is also useful to state that these findings are congruent with the findings of a number of scholars, including Wamuhu (2020) – who found statistically significant positive relationships between banks' distribution channels and banks' performance, and Sandra (2019) and Nazaritehrani & Mashali (2020) – who found statistically significant positive relationship between digital banking channels and banks' performance. However, the other finding of Nazaritehrani & Mashali (2020) – which states that there is no relationship between the use of ATM and banks' performance – is contrary to the findings of this and other studies, and has got no theoretical or empirical support.

Furthermore, these findings have very important implications for the research objective and question as they achieve the research objective and address the research question by confirming the nature and significance of the relationships that exist between banks' distribution strategy and banks' performance. Their practical implications are also significant as they confirm (i.e. ceteris paribus) that banks that have better distribution strategies are better off in terms of financial and market performances that those with no or inadequate distribution strategies.

The findings that are related to the relationship between banks' customer relationship strategy and banks' performance confirm that banks' customer relationship strategy has statistically significant direct and indirect effects upon banks' performance. Consequently, the direct effect statistics confirms that banks' customer relationship strategy results in 0.386 unit direct increase in banks' performance per one unit increase in banks' customer relationship strategy when the relationship is adjusted for the inclusion of customer satisfaction in the model as another predictor of the outcome variable. On the other hand, the indirect effect statistics confirms that banks' customer relationship strategy results in 0.124 unit indirect increase in banks' performance per one unit increase in banks' customer relationship strategy when the effect is directed through customer satisfaction.

In addition to these, the finding confirms that customer satisfaction has statistically significant positive impact upon banks' performance when the relationship is adjusted for the influence of customer relationship strategy as another predictor of the outcome variable. The test results of the hypotheses (which are related to the total, direct, and indirect relationships between banks' customer relationship strategy and banks' performance, and have been tested by using bootstrapping method) also show that the hypotheses were not rejected. It is also useful to state that these findings are congruent with the findings of many scholars, including Kebede & Tegegne (2018) - who found a positive relationship between

Commercial Bank of Ethiopia's customer relationship management and the bank's financial performance.

As the above theoretical analysis shows it, these findings have very useful and significant implications for the research objective and question. Because, they provide comprehensive and statistically significant evidence that enables a researcher to confirm the positive relationship that exists between banks' customer relationship strategy and banks' performance. In addition to this, these findings have very important practical implications for banks as they confirm (i.e. ceteris paribus) that banks that have credible customer relationship (i.e. customer acquisition and retention) strategies will be able to increase their financial and market share performances than those with no or inadequate customer relationship strategies.

The findings that are related to the relationship between banks' sustainable marketing strategy and banks' performance confirm that banks' sustainable marketing strategy has statistically significant direct and indirect effects upon banks' performance. Accordingly, direct effect statistics confirms that banks' sustainable marketing strategy results in 0.373 unit direct increase in banks' performance per one unit increase in banks' sustainable marketing strategy when the relationship is adjusted for the inclusion of customer satisfaction in the model as another predictor of the outcome variable. Whereas, the indirect effect statistics confirms that banks' sustainable marketing strategy results in 0.123 unit indirect increase in banks' performance per one unit increase in banks' sustainable marketing strategy when the effect is channeled through customer satisfaction. In addition to these, the finding confirms that customer satisfaction has statistically significant positive impact upon banks' performance when the relationship is adjusted for the effect banks' sustainable marketing strategy as another predictor of the outcome variable. The test results of the hypotheses (which are related to the total, direct, and indirect relationships between banks' sustainable marketing strategy and banks' performance, and have been tested by using bootstrapping method) show that the hypotheses were not rejected.

It is also important to highlight that these findings are consistent with the findings of many scholars, including Adetunji (2019) – who found direct positive relationship between company's sustainable marketing strategy and its performance, and Trivedi et al. (2018) & Papadas et al. (2018) – who found direct positive relationship between company's sustainability practice and its financial and market share performances.

As the above theoretical analysis confirms it, these findings have very important implications for the research objective and question as they achieve the research objective and address the research question by providing statistically significant evidence that underpins the direct and indirect relationships that exist between banks' sustainable marketing strategy and banks' performance. In addition to this, the practical implications of these findings show (i.e. ceteris paribus) that banks that have credible sustainable marketing strategy are able to see increased financial and market share performances than those with no or inadequate sustainable marketing strategy. This means that sustainability is not something that companies can opt in as it is something that has direct and significant implications or consequences for the company's (including banks') financial and market share performances.

6.4. The Mediating Role of Customer Satisfaction

The third part of the discussion addresses the third research objective (which aims at establishing how customer satisfaction mediates the relationship between banks' marketing strategies and their performances), and reflects on the implications of the findings for the research objective and question. Accordingly, findings of qualitative data analysis show that banks see customers' satisfaction as the cornerstone of their performance as well as existence. In other words, the finding confirms the mediating role of customer satisfaction in the relationship between banks' marketing strategy and their performance. Furthermore, qualitative finding strongly suggests that banks' marketing strategies can have better positive impacts upon banks' financial and market share performances only when their impacts are channeled through increased customer satisfaction.

However, quantitative analysis has not confirmed the existence of full mediation between banks' marketing strategy (i.e. all explanatory variables) and banks' performance as all the direct effects between all the explanatory variables and the dependent variable have remained statistically significant despite the inclusion of the mediating variable (which is customer satisfaction) in the models as another predictor of the outcome variable. This means that the statistical evidence supports the existence of partial mediation only, and there is no statistical evidence which supports that banks' marketing strategy can have statistically significant better effect upon banks' performance when the effect is facilitated through customer satisfaction only.

This result should not come as a surprise given Ethiopia's vast and mostly untapped financial market in which banks are able to sell without much difficulty whatever offer they bring to the market. It is also important to state that this finding is congruent with the finding of Khatoon et al. (2020) – who found that customer satisfaction mediates the relationship between banks' service quality and banks' performance.

As the above theoretical analysis shows it, this finding has very important implication for the research objective and question as it achieves the research objective and answers the research question by providing significant statistical evidence that confirms the mediating role of customer satisfaction in the relationship between banks' marketing strategy and their performance. In addition to this, the practical implication of the quantitative finding is that Ethiopian banks that have credible marketing strategies are significantly increasing their financial returns and market shares only partially through satisfying their customers' needs.

6.5. Strengths and Possible Limitations of the Findings

This final part of the discussion revolves around the strengths and possible limitations of the findings. Accordingly, the findings benefit from the use of mixed research method and data types as the use of mixed research method neutralizes some of the weaknesses that are associated with qualitative and quantitative research methods or as the methods complement each other. This means that these findings do not suffer from the lack of measurement validity or reliability as the statistical analyses of the instrument confirmed that both validity and reliability statistics were far above the minimum thresholds with 0.912 and 0.956, respectively. The findings have also internal validity as the analyses of the test results, the relationships that exist between the variables, and the conclusions that have been reached at are accurate. In addition to these, the findings have external validity as they can be generalized beyond the sample data to a broader context. Furthermore, the credibility of the findings have been enhanced by the advantages of qualitative data (such as richness, depth, and being free from bias) and thematic analysis (such as analytical depth and rigor). Nonetheless, the findings have been hampered by the lack of accurate mechanism or metrics that identify the exact financial return that is being generated by the banks' marketing strategy.

Chapter Seven

Summary, Conclusion, and Recommendation

7.1. Introduction

Ethiopian commercial banks' marketing strategies and marketing mixes have certain deficiencies, and their marketing practices have not grown fully. As a result of this, this study, which is mixed methods research and based on pragmatic worldview, has been conducted to establish the causes of these deficiencies, to find out and explain the relationship that exists between marketing strategy and banks' performance, and to establish the mediating role of customer satisfaction in this relationship. This study began with reviewing relevant theoretical and empirical literatures, and by developing research questions and hypotheses.

A research model that shows the relationships that exist between the variables was also developed. Then, interview data, which were subsequently analyzed by using thematic analysis method, were collected from bank marketing managers, who were selected through quota sampling technique. On top of this, survey data were gathered from a sample of randomly selected two hundred and thirty eight bankers or respondents by using instrument that its validity and reliability were established through statistical method. Finally, descriptive, correlation, and regression analyses of these data were conducted by using SPSS v25; Sobel test method was used to test the statistical significance of the indirect or mediated effect of banks' marketing strategy upon their performance; and, bootstrapping method was used to test the hypotheses.

Therefore, this chapter has been organized into three major sections. The next section encapsulates the main findings of the study while the third section of the chapter presents the main conclusion. Then, the final part of the chapter presents recommendations.

7.2. Summary of Main Findings

Thematic analysis was used to examine the main causes that are responsible for some of the inadequacies of Ethiopian commercial banks' marketing strategies (including market segmentation, targeting, differentiation, and positioning) and mixes. Accordingly, this analysis resulted in the following findings:

- The main reasons for some of the inadequacies of Ethiopian commercial banks' marketing strategies (including market segmentation, targeting, differentiation, and positioning) and mixes are lack of originality, failure on the part of the banks, failure on the part of the country's financial regulatory body in providing adequate legal framework, lack of capacity to produce debit cards in the county, lack of citizens national database, lack of adequate banking infrastructure, lack of banking service awareness on the parts of their customers, undergrowth of the country's marketing practices, and the infancy of the country's financial and banking systems.
- The real reasons that are responsible for the country's banks failure to roll out debit card as a default means of transaction, paying bills, and operating current accounts and for their failure to provide standing order service that enable their customers to pay their bills, including their monthly telephone bills, are failures on the part of the banks in adopting credible marketing strategies that enable them to transform the country's banking system into card system and the infancy of the country's financial and banking systems, respectively.
- Lack of action on the part of the country's financial regulatory body in issuing a legal framework or directive which enables the country's banks to provide a credit card to some of their market segments is one of the contributory reasons for these inadequacies.
- Lack of action on the part the country's financial regulatory body in delineating the responsibilities of the country's businesses and banks in rolling out POS terminals throughout the country as one of affordable and standard banking services is also one of the contributory reasons for these inadequacies.

- The infancy of the country's digital banking services and the undergrowth of marketing practices in the country are another mentionable reasons for these inadequacies.

Qualitative and quantitate analyses that were conducted to establish the effects of banks' marketing strategy (i.e. product, pricing, communication, distribution, customer relationship, and sustainable marketing strategies) upon banks' performance produced the following findings:

- The results of qualitative data analysis show that banks' marketing strategy (which is represented by product, pricing, communication, distribution, customer relationship, and sustainable marketing strategies) has direct and positive impact upon banks' financial and market share performances.
- The results of descriptive analyses show that at least 73.1%, 69. 2%, 70.6%, 70.6%, 65.7%, and 64.7% of the respondents agree, amongst other things, with the preposition that their banks' product, pricing, distribution, communication, customer relationship, and sustainable marketing strategies have positive effects upon their banks' financial and market share performances, respectively. In addition to these, at least 56.2% of the respondents agree that their customers' satisfaction has positive influence upon their banks' financial and market share performances.
- The results of correlation analysis show with 99% confidence level that there is statistically significant and positive relationship between all the variables and the dependent variable, and between all the explanatory variables and the mediating variable. In addition to this, this analysis indicates the absence of multicollinearity problem.
- Banks' product strategy has statistically significant positive effect upon customer satisfaction; and, customer satisfaction has in turn statistically significant direct effect upon banks' performance when banks' product strategy is included in the model as another predictor of the outcome variable. In addition to this, banks' product strategy has statistically significant direct effect upon banks' performance when customer satisfaction is included in the model as another predictor of the outcome variable. The test result also confirms that banks' product strategy has statistically significant indirect effect upon bank's performance through customer

satisfaction. Furthermore, the test results of the hypotheses that are related to the total, direct, and indirect relationships between banks’ product strategy and banks’ performances show that the hypotheses were not rejected.

- Banks’ pricing strategy has statistically significant positive effect upon customer satisfaction; and, customer satisfaction has in turn statistically significant direct effect upon banks’ performance when banks’ pricing strategy is included in the model as another predictor of the outcome variable. In addition to this, banks’ pricing strategy has statistically significant direct effect upon banks’ performance when customer satisfaction is included in the model as another predictor of the outcome variable. The test result also confirms that banks’ pricing strategy has statistically significant indirect effect upon bank’s performance through customer satisfaction. Furthermore, the test results of the hypotheses that are related to the total, direct, and indirect relationships between banks’ pricing strategy and banks’ performances show that the hypotheses were not rejected.
- Banks’ communication strategy has statistically significant positive effect upon customer satisfaction; and, customer satisfaction has in turn statistically significant direct effect upon banks’ performance when banks’ communication strategy is included in the model as another predictor of the outcome variable. In addition to this, banks’ communication strategy has statistically significant direct effect upon banks’ performance when customer satisfaction is included in the model as another predictor of the outcome variable. The test result also confirms that banks’ communication strategy has statistically significant indirect effect upon bank’s performance through customer satisfaction. Furthermore, the test results of the hypotheses that are related to the total, direct, and indirect relationships between banks’ communication strategy and banks’ performances show that the hypotheses were not rejected.
- Banks’ distribution strategy has statistically significant positive effect upon customer satisfaction; and, customer satisfaction has in turn statistically significant direct effect upon banks’ performance when banks’ distribution strategy is included in the model as another predictor of the outcome variable. In addition to this, banks’ distribution strategy has statistically significant direct effect upon banks’

performance when customer satisfaction is included in the model as another predictor of the outcome variable. The test result also confirms that banks' distribution strategy has statistically significant indirect effect upon bank's performance through customer satisfaction. Furthermore, the test results of the hypotheses that are related to the total, direct, and indirect relationships between banks' distribution strategy and banks' performances show that the hypotheses were not rejected.

- Banks' customer relationship strategy has statistically significant positive effect upon customer satisfaction; and, customer satisfaction has in turn statistically significant direct effect upon banks' performance when banks' customer relationship strategy is included in the model as another predictor of the outcome variable. In addition to this, banks' customer relationship strategy has statistically significant direct effect upon banks' performance when customer satisfaction is included in the model as another predictor of the outcome variable. The test result also confirms that banks' customer relationship strategy has statistically significant indirect effect upon bank's performance through customer satisfaction. Furthermore, the test results of the hypotheses that are related to the total, direct, and indirect relationships between banks' customer relationship strategy and banks' performance show that the hypotheses were not rejected.
- Banks' sustainable marketing strategy has statistically significant positive effect upon customer satisfaction; and, customer satisfaction has in turn statistically significant direct effect upon banks' performance when banks' sustainable marketing strategy is included in the model as another predictor of the outcome variable. In addition to this, banks' sustainable marketing strategy has statistically significant direct effect upon banks' performance when customer satisfaction is included in the model as another predictor of the outcome variable. The test result also confirms that banks' sustainable marketing strategy has statistically significant indirect effect upon bank's performance through customer satisfaction. Furthermore, the test results of the hypotheses that are related to the total, direct, and indirect relationships between banks' sustainable marketing strategy and banks' performance show that the hypotheses were not rejected.

Qualitative and quantitative analyses that were conducted to establish how customer satisfaction mediates the relationship between banks' marketing strategy and banks' performance resulted in the following findings:

- The result of qualitative data analysis shows that banks see customers' satisfaction as the cornerstone of their performance as well as existence. In other words, qualitative finding confirms the mediating role of customer satisfaction in the relationship between banks' marketing strategy and their performance. Furthermore, qualitative finding strongly suggests that banks' marketing strategy can have better positive impacts upon banks' financial and market share performances when its impacts are channeled through increased customer satisfaction only. However, statistical test results do not support this. And, they support the existence of a partial mediation only. Thus, there is no statistical evidence which supports that banks' marketing strategy can have better effect upon banks' performance when the effect is facilitated through customer satisfaction only.

7.3. Conclusion

The following conclusions have been made on the basis of the findings that were obtained through qualitative and quantitative analyses of the data. Therefore:

- As all the hypotheses that are related to the total, direct, and indirect relationships that exist between banks' marketing strategies and their performances have not been rejected, hence the hypotheses have been confirmed as the findings of the study. Furthermore, these findings are congruent or the same with the remaining findings of the study.
- The findings have fully met the research objectives and answered the research questions.
- The above findings enable complete understanding of the research topic as they provide objective, convincing, and full evidence that accurately establishes and delineates the effects that marketing strategy has upon banks' financial and market share performances. In addition to these, they enable the country's bank managers to understand the important relationships that exist between banks' marketing strategies, their customer satisfaction, and their performances. These findings also make very important contribution to the literature as they fill the research gap by providing full answers to some of the incomplete, inconsistent, inadequate, or contradictory findings that were highlighted in the literature, including in the studies of Yilma (2019), Fekadu (2018), and Gebrehiwot (2021).

7.4. Recommendation

The following recommendation have been made on the basis of the findings and conclusion:

- The country's financial regulatory body (National Bank of Ethiopia) needs to take additional steps that can speed up the modernization of the country's banking service by issuing additional legal frameworks or directives which, for example, delineate the responsibilities of the country's businesses and banks in rolling out POS terminals throughout the country as one of affordable and standard banking services. In addition to this, National Bank of Ethiopia needs to provide the country's banks with directives or legal framework that enable them to offer credit card to some of their market segments.
- The country's financial regulatory body needs to work very closely with the country's banks and Ethio Telecom in order to address some of the issues these banks are citing for some of the inadequacies of their marketing strategies and banking services, including some of the interruptions and delays in their systems or connections.
- The country's banks needs to take more proactive steps to modernize their banking services through adoption and implementation of credible marketing strategies that enable them to modernize and transform their banking services. For example, they need to be able to issue a debit card to all their customers and install POS terminals at all their branches (i.e. over the counter) as standard means of accessing banking services.
- The country's banks needs to address the lack of awareness and misconception that some of their customers have about digital banking services through adoption and implementation of credible marketing strategies, especially communication strategy.
- The country's banks need to recognize the fact that the opportunity to modernize the country's banking service and transform it into a card system is in their hands as long as they adopt bold, original, and credible marketing strategies that look beyond the domestic market and incorporate modern marketing practices; they work very closely with the country's financial regulatory body; and, they partnership with Western banks, such as Barclays.

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Appendix 1: Semi-Structured Interview Questions

The purpose of the interview is to gather data for the research that aims to assess the effects of marketing strategy on banks' performance. Thus, you are one of the marketing executives who have been selected from the country's commercial banks by using quota sampling techniques. Your participation is entirely voluntarily, and your anonymity is fully respected. In addition to these, you have the full rights to take a break or to withdraw from taking part in it at any time during the interview. Therefore, I, the researcher, would like to request you to take part in it voluntarily and to provide me with accurate information.

I. Demographic Data

1. What is the sex of the respondent?
2. What is the age of the respondent?
3. What is highest educational level of the respondent?
4. How many years of work experience has the respondent?

II. Marketing Strategy, Customer Satisfaction, and Company Performance Data

1. What is preventing Ethiopian commercial banks from rolling out a debit card as a default means of transaction, paying bill, and operating current accounts?
2. What is preventing Ethiopian commercial banks from offering credit cards to some of their market segments?
3. What is preventing Ethiopian commercial banks from rolling standing order services?
4. What is preventing Ethiopian commercial banks from rolling out point-of-sale (POS) terminals at supermarkets, hotels, restaurants, and petrol stations?
5. What is preventing Ethiopian commercial banks from segmenting their markets appropriately, selecting profitable segments, and positioning their offers?

6. Why are Ethiopian commercial banks value propositions not sufficiently good at answering the reason why a customer should choose their bank instead of their competitors?
7. What have been the most common marketing strategies of your bank over the last five years? Why did your bank choose these strategies?
8. Have your bank's financial and market share performances been increasing over the last five years?
9. Do you attribute your bank's financial and market share performances to its marketing strategies?
10. What are other factors that are responsible for your bank's financial and market share growth?
11. Do you believe that your bank can only thrive as long as it satisfies its customers' needs in a better way than its competitors do?
12. Why do you think your bank has unnecessarily divided what is known as online banking service in developed countries into what it calls it internet banking, mobile banking, and online banking services?
13. Do you not agree with the notion, given the above mentioned problems, that your bank's market segmentation, targeting, and value proposition are inadequate?
14. How does the marketing strategy of your bank recognize the effects of rapid globalization?
15. How does the marketing strategy of your bank recognize the need for sustainable marketing?
16. How is your bank developing strong relationship with its customers beyond offering banking services?
17. Has your bank got brand loyalty reward programs?
18. Does your bank use sales promotion tools, such as coupons, lottery prize, and so on?
19. What is the extent at which your bank uses social media and mobile marketing?
20. Does your bank use a blend of digital and traditional marketing communication tools? How does it use them?
21. How does your bank differentiate itself from its competitors?
22. How would you describe the marketing plan of your bank?

23. How would you describe your bank’s product, pricing, communication, distribution, customer relationship, and sustainable marketing strategies?
24. How would you describe your bank’s tactical marketing tools?
25. How often does your bank analyze its marketing environment?
26. What are the strengths and opportunities that your bank has at the moment?
27. What are the weaknesses and threats that your bank has faced at the moment?
28. What are the major trends and forces that are changing the marketing landscape and challenging your bank’s marketing strategy?
29. How would you describe the challenges that your bank has currently faced? What are the causes of the challenges?
30. What are the marketing objectives of your bank? What are the things that your bank is doing to achieve them?
31. How would you assess whether or not you have achieved your marketing objectives?
32. What is the reputation of your bank that is appealing to the customer?
33. What is the current market share of your bank?
34. What are the things that your bank is currently doing to defend and expand its market share?
35. How many ATMs and branches has your bank at the moment?
36. What are the things that your bank is currently doing to engage customers and manage a profitable customer relationship?
37. Is there any mismatch between your bank’s marketing strategy and corporate strategy?
38. Do you not agree with the notion that the deficiencies in your bank’s marketing strategies and mix is to be blamed for your bank’s inability to provide the kind of banking services that are available in many developed and some developing countries, including neighboring Kenya?

Appendix 2: Survey Questions

The purpose of the survey is to gather data for the research that aims at assessing the effects of marketing strategy on banks' performance. It is highlighted that you are randomly selected from the country's commercial banks, your participation is entirely voluntarily, and your anonymity is fully respected. In addition to these, you have the full rights to take a break or to withdraw from taking part in it at any time during the data gathering process. Therefore, I, the researcher, would like to request you to take part in it voluntarily and to provide as accurate information as possible.

Section I: Profile of the Respondents

Instruction: Please tick the option that best describes you.

1. Sex

1) Male ☐ 2) Female ☐

2. Age

1) 20-29 ☐ 2) 30-39 ☐

3) 40-49 ☐ 4) 50 and above ☐

3. Highest Level of Education

1) Certificate ☐ 2) Diploma ☐

3) Bachelor ☐ 4) Masters ☐

5) PhD ☐

4. Work Experience

1) 1 – 5 years ☐ 2) 6 – 10 years ☐

3) 11 – 15 years ☐ 4) 16 and above years ☐

Section II: Marketing Strategies

This section has been designed to gather data that are related to Ethiopian commercial banks' marketing strategies. So, you are sincerely requested to tick the response that can best express your level of agreement on the Likert Scale from 1 – 5.

Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
1	2	3	4	5

	Marketing Strategies	1	2	3	4	5
A	Product Strategy					
1	This bank offers a range of products that satisfy market needs.					
2	This bank's products have broad market appeal.					
3	This bank tests its products' suitability, attractiveness, &profitability prior to launching them.					
4	This bank uses appealing packages that influence customers' buying decisions.					
5	This bank's name, logo, and brand are appealing, and have direct positive influence on the bank's performance.					

6	This bank's products or offers have a positive influence on the bank's performance.					
B	Pricing Strategy					
1	This bank uses various pricing strategies to increase its revenue.					
2	This bank offers attractive interest rates to increase overall performance.					
3	This bank charges lower bank fees to increase its market share.					
4	This bank's fees are attractive when they compared to its competitors' fees.					
5	This bank's fees and interest rates satisfy customers' needs.					
6	This bank's fees are very much influenced by the external factors than anything else.					

C	Distribution Strategy					
1	This bank's distribution strategies are enabling the bank to achieve high performance and satisfy customer needs.					
2	This bank branches have customer-friendly environment.					
3	This bank branches use open layouts, are decorated with distinct features that magnify the bank's corporate identity, have seats and broachers for customers, and their floors are partitioned in accordance with the type of banking services that they provide.					
4	This bank's branches are located at places that are easily accessible to customers.					
5	This bank's digital distribution channels, such as ATM and online banking, are improving the bank's performance.					
6	This bank branches are fully aware of their responsibilities toward each other, their bank, & their customer, and are discharging it well.					
D	Communication Strategy					

1	This bank's communication strategies are making positive contributions to the bank's performance, and satisfy customer needs.					
2	This bank's advertisements are enabling the bank to communicate customer value, stimulate customer engagement, and build long-term profitable relationship with them.					
3	This bank uses sales promotions, such as lottery prizes and coupons, to attract customers.					
4	This bank often uses personal selling to communicate with corporate and high-worth individual customers.					
5	This bank uses public relations (PR) to publicize news worthy company events and activities, and to promote the bank's image.					
6	This bank sends greeting cards, brochures, magazines, offers, and so on to its existing and prospective customers.					
7	This bank uses digital marketing, such as online marketing, social media marketing, and mobile marketing to reach out to its customers.					
E	Customer Relationship Strategy					
1	This bank's customer relationship strategies are making positive contribution to the bank's performance, and satisfy customer needs.					
2	This bank always provides full and honest information to its prospective and existing customers.					
3	This bank's customer acquisition strategies are grounded on building mutually beneficial long term customer relationships.					
4	This bank has a clear and ethical customer retention strategies and policies in place.					
5	This bank retains its customers by providing them with excellent and superior customer value.					
F	Sustainable Marketing Strategy					

1	This bank uses energy efficient operations, cost effective pollution controls measures, cost reduction strategies, fair pricing, honest business practices, and honest advertising.					
2	This bank's marketing strategies are grounded on the notion of meeting the current and future needs of businesses and consumers.					
3	This bank's marketing strategies are satisfying customer needs and positively contributing to the bank's performance.					
4	This bank is committed to finding better ways of creating customer value.					
5	This bank endeavors to meet consumers' needs via environmentally, socially, and ethically responsible marketing practices.					

Section III: Customer Satisfaction

This section has been designed to gather data that are related to Ethiopian commercial banks' customer satisfaction. So, you are sincerely requested to tick the response that can best express your level of agreement on the Likert Scale from 1 – 5.

Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
1	2	3	4	5

	Customer Satisfaction	1	2	3	4	5
A	Customer Loyalty					
1	This bank's customers have strong relationship with the bank.					
2	This bank's customers conduct all their banking with the bank.					
3	The loyalty of this bank's customers is positively contributing to the bank's performance.					

4	This bank customers often recommend the bank to their relatives and friends.					
5	This bank customers offer free word-of-mouth marketing on behalf of the bank.					

Section IV: Performance

This section has been designed to gather data that are related to Ethiopian commercial banks' performance. So, you are sincerely requested to tick the response that can best express your level of agreement on the Likert Scale from 1 – 5.

Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
1	2	3	4	5

	Performance	1	2	3	4	5
A	Revenue					
1	This bank's revenue is growing due to the effectiveness of its marketing strategies.					
2	The bank's revenue is growing due to its customers' satisfaction.					
3	This bank's revenue growth is a key indicator of its performance.					
4	This bank's revenue growth is due to its expansion strategies.					
5	This bank's revenue growth is due to improvements in its customer service.					
B	Profit					
1	This bank's profit is growing due to the effectiveness of its marketing strategies.					
2	This bank's profit is growing due to its customers' satisfaction.					
3	This bank's profit is growing due to the bank's efficiency gains.					

4	This bank's profit is growing due to continuous improvements in its operations.					
5	This bank's profit is growing due to the bank's continuous efforts to deliver superior customer value.					
C	Market Share					
1	This bank's market share is increasing due to the effectiveness of its marketing strategies.					
2	This bank's market share is growing due to its customers' satisfaction.					
3	This bank's market share growth is in line with its revenue growth.					
4	This bank's market share is a key indicator of its performance.					
5	This bank's market share is a key indicator of its size.					

Thank you very much for taking part in it!!