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AN ASSESSMENT OF CUSTOMERS' SATISFACTION WITH NEW PRODUCT INNOVATION: THE CASE OF AWASH BANK

Prepared By: Tilahun Dejene

**ADDIS ABABA UNIVERSITY SCHOOL OF
COMMERCE DEPARTMENT OF MARKETING
MANAGEMENT POST GRADUATE
PROGRAM**

Advisor: Tewodros Mesfin (PhD)

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Addis Ababa

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**Research Submitted to Addis Ababa University the school
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Marketing Management Post Graduate Program

Approved by Board of Examiners

_____	_____	_____
<i>Research Advisor</i>	<i>Signature</i>	<i>Date</i>
_____	_____	_____
<i>Internal Examiner</i>	<i>Signature</i>	<i>Date</i>
_____	_____	_____
<i>External Examiner</i>	<i>Signature</i>	<i>Date</i>

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I finally express my deep gratitude to members of Addis Ababa School of Commerce library for unwavering support in providing me research related materials

Thank You All!!

Declaration

I, Tilahun Dejene, declare that New product Innovation and Customer Satisfaction in Banking Industry of Ethiopia (the case of Awash Bank) is the result of my own effort and study and that all sources of materials used for the study have been duly acknowledged. I have produced it independently except the guidance and suggestion of the research advisor

The study has not been submitted for any degree in this University or any other University. It is offered for the partial fulfillment of the degree of MA in Marketing Management

Tilahun Dejene

Signature

Date _____

ABSTRACT

The general objective of the thesis was to measure the level of customer satisfaction of customers of Awash Bank in relation to new product innovation. The study had tried to assess level of customer satisfaction in relation to customer centricity, attractive and innovativeness and price of the new product. Moreover, it explored the relationship among the three dimensions of the independent variables. Sample size of the study was 384 and a convenience sampling technique was used. The researcher used a qualitative type of research approach and a closed structured questionnaire was used to collect data based on the research questions. Descriptive (frequency, percentage, mean and standard deviation) and inferential statistic, analysis of variance (ANOVA) were employed. In addition, pearson correlation analysis was used to assess relationship among the three dimensions of customer satisfaction. As a key finding, the result depicted that those senior customers and qualified ones were not as such satisfied with new product innovation of the bank and generally, it is recommended that the bank should work hard and evaluate its performance so as to understand customers' need and to get continuous competitive advantage in the banking industry.

Certification

This is to certify that Mr Tilahun Dejene has completed his project work entitled New product innovation and customer satisfaction in Banking Industry of Ethiopia the case of Awash Bank. As I have evaluated, his project is appropriate to be submitted as a partial fulfillment requirement for the Award of Degree in Masters of Marketing Management.

Project Advisor:

Tewodros Mesfin(PhD)

Abbreviation

CC **Customer Centricity**

AI **Attractive & Innovative**

P **Price**

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CHAPTER ONE

1.1 Background of the study

New product development covers the complete process of bringing a new product to market.

New Product development is described as the transformation of a market operation into a product available for Sale. The product can be tangible (something Physical which one can touch) or intangible (like a service, experience, or belief).

The ability to bring new products to market quickly is fundamental to any successful customer-Driven company. However, today's highly competitive environment makes this task more challenging than ever. Customers not only demand higher levels of quality in new products, but also demand the latest innovations. (Innovative new product development: A study of selected QFD case studies, Paulo AugustoCauchick Miguel)

For many companies, new product development (NPD) speed is a central component of their competitive strategy (Doctar et al, 1997; Radas and shugan, 1998; Shanker et ql; 1998; Zhang and Markman, 1998) unless they are rapidly augmented or replaced, efficient products are soon made obsolete by swift environmental changes in the market.

These changes stimulate new customer needs, attract new Competition, and offer new technologies that provide better solutions.

In an economy of rapid change, continuous innovation is a necessity (Philip, K. & Kevin, L., (2013). The traditional focus on product features is not enough. Customers do not buy a set of product features but rather a bundle of benefits encompassing.

Many times, products create value in partnership with other complementary products. (Dhebar 1995).

It is critical, therefore, that new product development process in corporate as early as possible a product concept that based on a value proposition.

The most successful companies consider some form of customer information in designing their products & services. After repeated examples of problems with product introduction, it is still striking that actual customer ideas are not usually the first step in the new product development process. In the age of the marketing concept and market orientation, even successful organizations work on a set of assumptions about consumer wants, needs and circumstances.

Thus they tend to use distilled & derived information in creating new product offer.

Recent findings report that there are continuing difficulties in introducing successful product despite enormous company emphasis on new product development.(Journal of product & Brand management Vol. 5 No. 6 1996 PP. 48-60 MCB University Press,)

In today's highly regulated and competitive banking environment in Ethiopia, Developing New Products provide an advantage over rivals and a path to higher profit.

Very often, new product development is accepted as a requirement for the continual growth and prosperity of all companies, not just for financial institution like Awash Bank.

Financial product development in Awash Bank is the process of creating new or modified financial product with the objective to increase sales (Market Share) and maintain competitiveness and sustainably grow.

Awash Bank S.C. was established in 1995 by 486 founding shareholders with a paid up Capital of Birr 23,123,917.00. It is the first private Bank to be established after liberalization of the Banking sector.

1.2. Statement of the Problem

Banking Industry stimulates the saving and investment ventures to promote business and trade activities in the economy.

Business organizations are striving to realize greater profits by delivering quality services according to customers' expectations. Satisfying customer is one of the main objectives of every business. Business recognize that keeping the current customer is more profitable than having to win new ones to replace those lost (Gantasala ,and Prabhaker,2010)

Providing a good service quality is a major issue for all businesses. Customer satisfaction may determine the success or the failure of the business. In order to remain competitive in the market place, banks need to satisfy their customers' needs which in turn will help them ensure a high market share and substantial return (Khali,2010).

Currently, there is a growing competition between banks on the market of bank service in Ethiopia.

The introduction of new products in banking business is one of the important factors to be competitive in the industry. According to Philip Kotler and Kevin Lane (2013) in an economy of rapid change continuous innovation is a necessity in product development.

The quality service due to uniform policies of the central bank, all commercial banks are required to offer almost similar services/products. Hence, they should find ways to attract and retain customers by delivering their service/product with highest standards.

Therefore, this research focuses on assessing customer satisfaction towards new product innovation in banking industry in Ethiopia the case of Awash Bank

1.3 Research questions

This research has the following research questions addressed on :

1. What was the level of the three dimensions of customer satisfaction (customer centricity, Attractive and innovative, and Price of the new product)?
2. Is there a statistically significant relationship among the three dimensions of customer satisfaction (customer centricity, attractive and innovative of the new product, and price of the new product?)
3. Is there a statistically significant mean score difference between groups of background variables on the three dimensions of customer satisfaction?

1.4. Objective of the Study

This study consists of general and specific objectives.

General objective

The general objective of the study was to assess customers' satisfaction towards new product innovation

Specific Objectives

The study has the following specific objectives.

1. To assess the level of the three dimensions of customer satisfaction (customer centricity, Attractive and innovative and Price of the new product).
2. To explore the relationship among the three dimensions of customer satisfaction.
3. To identify whether there was a statistically significant mean score difference between groups of background variables on the three dimensions of customer satisfaction.

1.5. Significant of the Study

The true finding of this study was expected to be a good source of input to the organization under study area and to initiate further research in the area of new product innovation and customer satisfaction in Banking industry of Ethiopia the case of Awash Bank.

It would also assist those engaged in Banking business (Bankers) to pinpoint how new product development adds value to banking business.

Beyond the above significant the study was also contribute empirical and theoretical knowledge on the field.

1.6. Scope of the Study

1.6.1 Theoretical Scope

Customer satisfaction differs depending on the situation and the product or service. A customer may be satisfied with a product or service, an experience , purchase decision, a sales person, store, service provider, or an attribute or any of these. However, this study only emphasize on new product innovation and customer satisfaction.

1.6.2 Methodological Scope

The researcher has chosen a research method which is within the limits of what he can do. I.e, time, money, feasibility and availability to measure the study are considered. For instance, the researcher use Convenience sampling method which is inherently a non probability sampling method. Because convenience sampling method is used to obtain large number of completed questionnaires quickly and economically.

1.6.3 Geographical Scope

The study was on new product innovation and customer satisfaction in banking Industry of Ethiopia the case of Awash Bank. However, due to time, resource and other reasons the study was limited to Addis Ababa city Branches.

1.7. Limitation of the Study

The expected limitation of the study is lack of clear awareness of participants in new product development concepts. .Moreover, implementation of the data collection method is the other limitation of this study

1.8 Conceptual Framework

A conceptual framework was used to illustrate what we expect to find through our research, including how the variables we are considering might relate to each other. I have read scientific articles regarding customer centric banking practices and innovativeness and price sensitivity to generate the conceptual framework of the thesis. Accordingly, the following conceptual framework was developed.

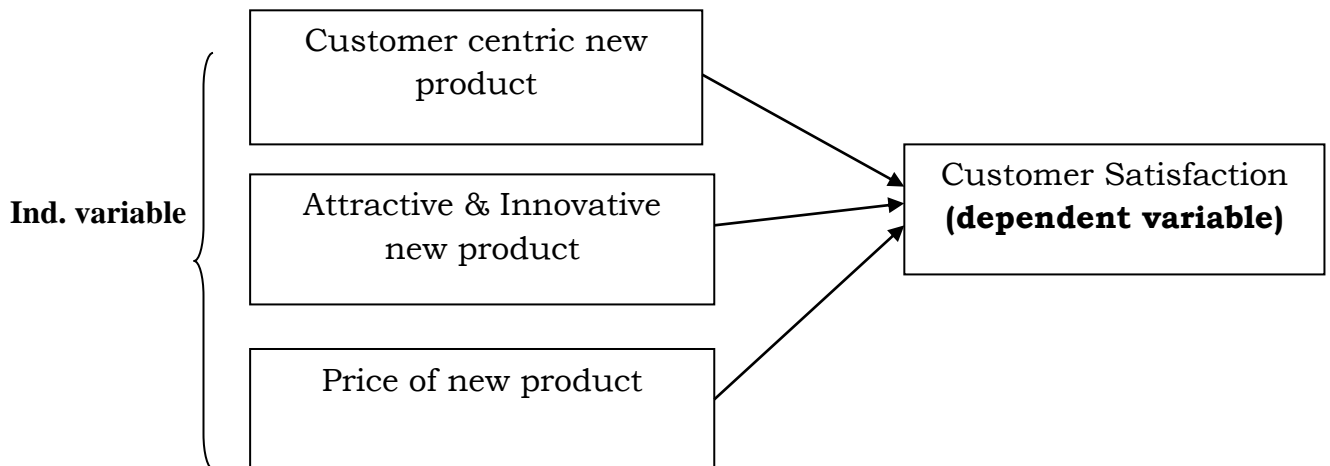


FIG. Conceptual framework (source: Ronald, E and Stephen,J : Innovativeness and price sensitivity,MCB University press .

1.9 Organization of the Paper

The research paper encompasses five (5) chapters. The first chapter is the introductory part which contains back ground of the study, statement of the problem, objective of the study, significance of the study, basic research questions, scope of the study, significance of the study and limitation of the study and conceptual framework.

The second chapter focused on related literature review.

The third chapter discuss on research design and methodology which focuses on type of research, target population, sample size, sampling technique, source and instruments of data collection and product of data collection and data analysis.

The forth chapter is about Data Analysis & discussion that is concerned with summarizing & interpreting of the research findings. Chapter five is about summary of findings, conclusions and recommendation.

CHAPTER TWO

2.1 REVIEW OF RELATED LITERATURE

2.1.1 Marketing Mix

It is well known that a company will be ready to begin planning details of the marketing mix after determining its overall marketing strategy. The marketing mix is the set of tactical marketing tools that the firm blends to produce the response it wants in the target market. The marketing mix consists of everything the firm can do to influence the demand for its products.

The many possibilities can be collected in to four groups of variables –the four p’s (product, price, place and promotion).

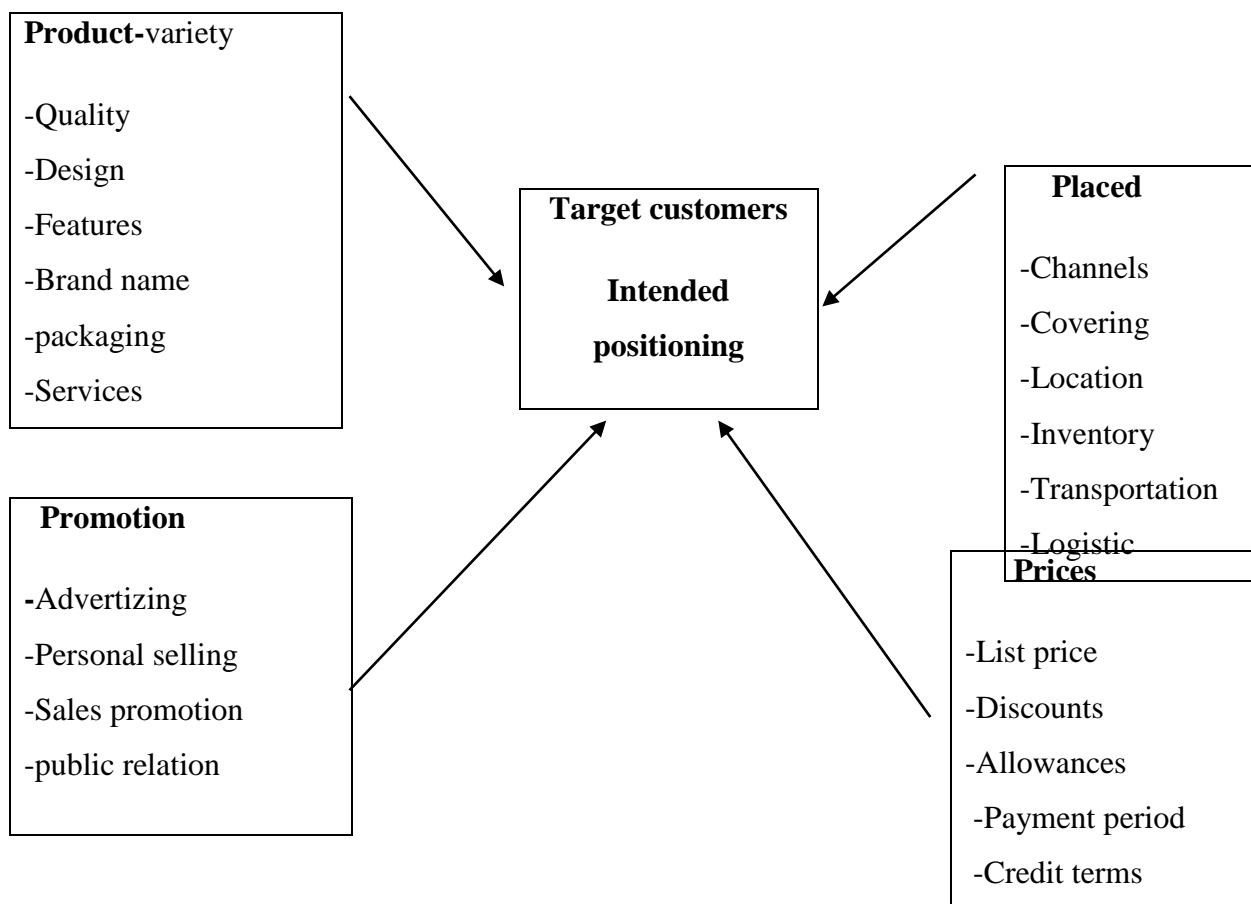


Fig. 1. Marketing Mix source (Kotler, P(2012). Marketing Management, Pearson Education).

2.1.2 Product and service attributes

An effective marketing program blends each marketing mix element in to an integrated marketing program designed to achieve the company's marketing objectives by delivering value to consumers. The marketing mix constitutes the company's tactical tool kit for establishing strong positioning in target markets.

Developing a product or service involves defining the benefits that it will offer. These benefits are communicated and delivered by product attributes such as quality, features, and styles and design.

Product Quality

Product quality is one of the marketer's major positioning tools. Quality has a direct impact on product or service performance; thus, it is closely linked to customer value and satisfaction. In the narrowest sense, quality can be defined as 'freedom from defects'. But most customer centered companies go beyond this narrow definition .Instead they define quality in terms of creating customer value and satisfaction.

Total quality management (TQM) is an approach in which all of the company's people are involved in constantly improving the quality of products, services ,and business processes.

For most companies, customer –driven quality has become a way of doing business. Today, companies are taking a 'return on equity' approach viewing quality as an investment and holding quality efforts accountable for bottom-line results.

Product quality has two dimensions: level and consistency. In developing a product, the marketer first choose a quality level that will support the product's positioning. Here, product quality means performance quality.

Beyond quality level, high quality also can mean high levels of quality consistency. Here, product quality means conformance quality freedom from defects and consistency in delivering a targeted level of performance.(Philip,k. and Gary, A. (2011),principles of marketing.USA: Prentice Hall)

Product Features

A product can be offered with varying features. A stripped-down model, one without any extras, is the starting point. The company can create higher-levels models by adding more features. Features are a competitive tool for differentiating the company's product from

competitor's product. Being the first producer to introduce a valued new feature is one of the most effective ways to compete.

How can a company identify new features and decide which ones to add to its product? It should periodically survey buyers who have used the product and ask these questions: How do you like the product? Which specific features of the product do you like most? Which features could we add to improve the product? The answer to these questions provide the company with a rich list of feature ideas. The company can then assess each feature's value to customers versus its cost to the company. Features that customers value highly in relation to costs should be added.(Philip, K. and Gary, A,(2011), Principles of marketing. USA: Prentice Hall)

Product Style and Design

Another way to add customer value is through distinctive product style and design. Design is a larger concept than style. Style simply describes the appearance of a product. A sensational style may grab attention and produce pleasing aesthetic but it doesn't necessarily make the product perform better. Unlike style, design is more than skin- deep -it goes to the very heart of a product.

Good design doesn't start with brain storming new ideas and making prototypes. Design begins with observing customers and developing a deep understanding of their needs.

Product Line

Beyond decisions about individual products and services, product strategy also calls for building a product line. A product line is a group of products that are closely related because they function in a similar manner are sold to the same customer groups, are marketed through the same types of outlets, or fall within given price ranges. The major product line decision involves product line length, the number of items in the product line. Product line length is influenced by company objectives and resources. For example, one objective might be to allow for up selling. Another objective might be to allow cross selling.

A company can expand its product line in two ways: by line filling or line stretching. Product line filling involves adding more items within the present range of the lines.

There are several reasons for product line filling: reaching for extra profits, satisfying dealers, using excess capacity, being the leading full-line company, and plugging holes to keep out competitors. However, line filling is over done if it results in cannibalization and customer

confusion. The company should ensure that new items are noticeably different from existing ones.

Product line stretching occurs when a company lengthens its product line beyond its current range. The company can stretch its line down ward, upwards or both ways.

Companies located at the upper end of the market can stretch their lines down ward.

A company may stretch downward to plug a market hole that otherwise would attract a new competitor or respond to a competitor's attack on the upper end. Or it may add low-end products because it finds faster growth taking place in the low-end segments.

Product Mix (or product portfolio)

An organization with several product lines has a product mix. A product mix consists of all the product lines and items that a particular seller offers for sale. A company's product mix has four important dimensions: width, length, depth, and consistency. Product mix width refers to the number of different product lines the company carries.

Product mix length

Refers to the total number of items a company carries within its product lines

Product mix depth

Refers to the number of versions offered for each product in the line.

Consistency

Consistency of the product mix refers to how closely related the various product lines are in end use ,production requirements, distribution channels ,or some other way.

2.2 Product Life Cycle Strategies

The product life cycle models how sales of an item move over the lifetime of the item. When a marketing expert considers the product life cycle , it is helpful to first think in macro terms , or assessment of the entire industry.(Kenneth, E. and Donald, B,(2009), Marketing management: A customer oriented Approach . Losangeles: Sage)

Product life cycle is the course of a product's sales and profits over its life time. The product life cycle has five distinct stages .

1. Product development begins when the company finds and develops a new product idea.

during product development, sales are zero, and the company's investment costs mount

2. Introduction is a period of slow sales growth as the product is introduced in the market.

3. Growth is a period of rapid market acceptance and increasing profits.

4. Maturity is a period of slowdown in sales growth because the product has achieved acceptance by most potential buyers.

5. Decline is the period when sales fall and profits drop

Introduction Stage

- Introduction stage starts when a new product is first launched. Introduction takes time and sales growth is apt to be slow. Well known products lingered for many years before they entered a stage of more rapid growth. In this stage as compared to other stages, profits are negative or low because of the low sales and high distribution and promotion expenses.

Growth Stage

- If the new product satisfies the market, it will enter a growth stage in which sales will start climbing quickly.
- Profits increase during the growth stage as promotion costs are spread over a large volume and as unit manufacturing costs decrease.

Maturity Stage

- This is the stage in which a product's sales growth slows or levels off. This maturity stage normally lasts longer than the previous stages and it poses strong challenges to marketing management

Declining Stage

- The sales of most product forms and brands eventually dip.
- Sales decline for many reasons, including technological advances, shifts in consumer tastes, and increased competition.
- Carrying a weak product can be very costly to a firm, and not just in profit terms. A weak product may take up too much of management's time.
- As per (Maylor, 1997 ; Pisano, 1997), effective New product development has become the focal point of competitiveness in many industries, particularly those where product

life has shortened, competition increase on a global basis, and customer demand for greater product variety has grown.

2.3 Over view of new product development

New product development is the development of original products, product improvements, product modifications, and new brands through the firm's own product development efforts.

Product development is a marketing strategy in which new goods and services are developed and then added to current lines and marketed to existing customers. Product diversification occurs when new goods and services are created for new market segments not currently being served by the company.

(Kenneth, E . and Donald, B ,(2009), Marketing Management: A customer oriented Approach. Losangeles : Sage)

- New products are the lifeblood of a company. As old products mature and fade away, companies must develop new ones to take their place(Philip, K. and Gary, A (2016), Marketing : an introduction . USA : Pearson)
- Companies that excel at developing and managing new products reap big rewards. Every product seems to go through a life cycle; It is born, goes through several phases and eventually dies as newer products come along that create new or greater value for customers.
- The product life cycle present two major challenges. First, because all products eventually decline a firm must be good at development new products to replace aging ones (**the challenge of new product development**). Second , a firm must be good adapting its marketing in the face of changing tastes, technologies, and competition as products pass through stages (**the challenge of product life cycle strategies**)
- As per Maylor and Pisano(1997) effective new product development has become the focal point of competitiveness in many industries particularly those where product life has shortened, competition increased on a global basis and customer demand for greater product variety has grown. The most successful companies consider some form of customer information in designing their products and services. After repeated examples of problems with product introductions, it is still striking that actual customer ideas are not usually the first step in the new product development process.
- In the age of marketing concept and market orientation, even successful organizations work on a set of assumptions about customer wants, needs and circumstances. Thus they tend to use distilled and derived information in creating new product offerings.(

Dennis, A. and Frank ,F(1996) ‘ Refining new product development team’ , learning to actualize consumer contributions, volume 5, no. 6)

2.4 New product Development Strategy

- A firm can obtain new products in two ways. One is through acquisition- By buying a whole company a patent, or license to produce someone else’s product. The other is through the firm’s own new product development efforts. New products are important to both customers and the marketer who serve them. They bring new solutions and variety to growth for companies. In today’s fast changing environment, many companies rely on new products for the majority of their growth. Yet innovation can be very expensive and very risky. New products face tough odds. Why do so many new products fail? There are several reasons, although an idea may be good, the company may over statement market size. The actual product may be poorly designed. or it might in correctly positioned, launched at the wrong time, priced too high or poorly advertised so, companies face a problem : They must develop new products, but the odds weigh heavily against success.
- To create successful new products, a company must understand its consumers markets ,and competitors and develop products that deliver superior value to customers,
- Companies cannot just hope that they will stumble across good new products. Instead, they must develop a systematic new product development process (Philip, K. and Gary, A, (2016), Principles of marketing : Pearson)

2.5 The new product development process

- Rather than leaving new products to chance, a company must carry out strong new product planning and set up a systematic, customer- driven new product development process for finding and growing new products.

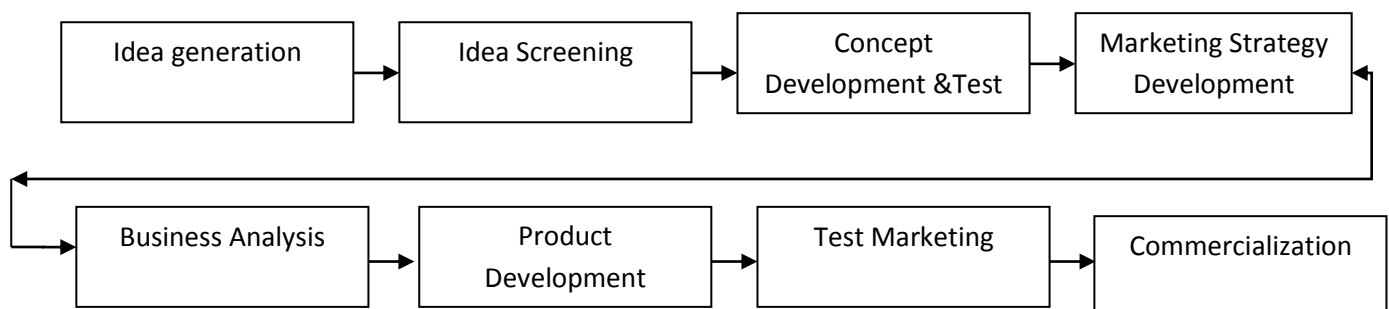


Fig. 2. Major stages in new product Development

Idea Generation

New product development starts with idea generation- The systematic search for new product ideas.

Major sources of new product ideas include internal sources and external sources such as customer's competitors, distributors and suppliers, and others,

Internal Idea Sources

- Using internal sources, we can find new ideas through formal research and development.
- Beyond its internal R & D process, a company can pick the brains of its own people

External Idea sources

- Companies can also obtain good new product ideas from any of a number of external sources. For example, distributors are close to the market and can pass along information about consumer problems and new product possibilities – suppliers can tell the company about new concepts, technique, and materials that can be used to develop new products. competitors are another important source. Companies watch competitors ads to get clues about their new products. Perhaps the most important sources of new product ideas are customers themselves. The company can analyze customer questions and complaints to find new product that better solve consumer problems.

Idea Screening

Idea Screening is screening new product ideas to spot good ones and drop poor ones as soon as possible.

Concept Development & Testing

- A product concept is a detailed version of the new product idea stated in meaningful consumer terms.
- An attractive idea must be developed into a product concept. It is important to distinguish between a product idea, a product concept , and a product image. A product idea is an idea for a possible product that the company can see it self offering to the market. A product image is the way consumers perceive an actual or potential product.

Concept Testing

- This is testing new product concepts with a group of target consumers to find out if the concepts have strong consumer appeal.
- Many firms routinely test new product concepts with consumers before attempting to turn them in to actual new products. For some concept tests , a word or picture description might be sufficient . However, a more concrete and physical presentation of the concept will increase the reliability of the concept test. The case of concept testing ,a company will decide on the concept which has the strongest appeal.
- Product and services deliver their benefits interactively with users. At the concept generation stage, companies design their offerings as a list of component benefits. However, products and services are anything consumers think they are. Even if vendors have articulated product benefits accurately, few consumers will value them all. Most will concentrate only on components that are particularly important to them. Since .
- The best method of creating quality products and services is to involve the customer in each step. Early and ongoing customer input distinguishes successful from unsuccessful products. Research supports involving customers at the idea generation stage ,and from product development on.(Journal of product and Brand Management,vol.5 No.6 1996)
- Customers not only demand higher levels of quality in new products, but also demand the latest innovations.(Paulo, A. and Cauchick, M (2005) ‘Innovative new product development’ , a study of selected QFD case studies , volume 22, pp 72-82)

Marketing Strategy development

- This is designing of an initial marketing strategy for a new product based on the product concept.
- Marketers have paid particular attention to the important role of innovation for successful product development . Clearly innovation can be the core of competitive advantage for some firms and can be the vehicle for assaulting the market position of rivals. (Journal of product and Brand management ,vol 5 No. 6 1996 pp 48-60)
- The marketing strategy statement consists of 3 parts.
- The first part of the marketing strategy describes the following:
 - ✓ Target market
 - ✓ Planned value proposition
 - ✓ Sales

- ✓ Market share
 - ✓ Profile goals for the first few year .
- The second part of the marketing strategy statement outlines the product's planned price ,distribution ,and marketing budget for the first year.
- The third part of the marketing strategy statement describes:
 - ✓ Planned long run sales
 - ✓ Profit goals
 - ✓ Marketing mix strategy(the set of tactical marketing tools that the firm blends to produce the response it wants in the target market).
 - ✓ The marketing mix constitutes the company's tactical tool kit for establishing strong positioning in target markets.(Philip, K. and Gary, A, (2011) , principles of marketing USA: Prentice Hall)

Business Analysis

-Business Analysis involves a review of the sales cost and profit projections for a new product to find out whether these factors satisfy the company's objectives.

PRODUCT DEVELOPMENT

Developing the product concept into the physical product to ensure that the product idea can be turned in to workable market offering

Test Marketing

- Test marketing is the stage of new product development in which the product and its proposed marketing program are tasted in realistic market setting. Test marketing gives the marketer experience with marketing a product before going to the great expense of full introduction. It lets the company test the product and its entire marketing program.
- Test marketing costs can be high, and testing takes time that may allow market opportunities to slip by or competitors to gain advantages. A company may do little or no test marketing when the costs of developing and introducing a new product are low, or when management is already confident about the new product.

Commercialization

- Commercialization is introducing a new product into the market
- A company launching a new product must first decide on introduction timing-for example, if the new product will eat into the sales of other company products, the

introduction may be delayed. Next, the company must decide where to launch the new product-in a single location, a region, the national market, or the international market..

2.6 Managing New Product Development

- New product development involves more than just going through a set of steps. successful new product development requires a customer oriented, team based, and systematic effort.

2.6.1. Customer centered new product development

- New product development must be customer centered. When looking for and developing new products, companies often rely too heavily on technical research in their R & D laboratories. But like everything else in marketing, successful new product development begins with a thorough understanding of what consumers need and value (Philip, K. and Gary, A, (2016)
- Customer centered new product development focus on finding new ways to solve customer problems and create more customer- satisfying experiences.

2.6.2 Team based new product Development

- Good new product development also requires a total- company, cross- functional effort.
- To get their new products to market more quickly, many companies use a team- based new product development approach.

2.6.3 Systematic New Product Development

- The New product development process should be holistic and systematic rather than compartmentalized and haphazard. Otherwise few new ideas will surface, and many good ideas will sputter and die

2.7 New Product Development in Turbulent Times

- When tough economic times hit, or when a company faces financial difficulties, management may be tempted to reduce spending on new product development. However, such thinking is usually short sighted. By cutting back on new products, the company may make it self less competitive during or after the downturn.

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2.8 Additional Product and service considerations

- Product decision and social responsibilities

Marketers should carefully consider public policy issues and regulations regarding acquiring or dropping products, patent protection, product quality and safety, and product warranties.

Categories of new products

2.9 Categories of new product

Booz, Allen and Hamilton has identified six categories of new products.

- (1) New- to- the world products; New product that create an entirely new market
- (2) New product line; New products that allow a company to enter an established market for the first time
- (3) Additions to existing product lines; new products that supplement a company's established product lines
- (4) Improvements and revision of existing products; new products that provide improved performance or greater perceived value and replace existing products.
- (5) Re-positioning: existing product that are targeted to new markets or market segments.
- (6) Cost Reductions: New Products that provide similar performance at lower cost

2.10 Challenges in new product development

- Companies that fail to develop new product are putting themselves at great risk Their existing products are vulnerable to changing customer needs and tastes, new technologies, shortened product lifecycles , and increased domestic and foreign competition.

2.11 Why do new products fail?

- New products fail because of the following reasons;
- A high level executive pushes a favourite idea through in spite of negative market research findings.
- The idea is good, but the market size is overestimated
- The product is not well designed
- The product is correctly positioned in the market not advertised effectively, or overpriced.
- Development costs are higher than expected
- Competitors fight back harder than expected

New product development can be hindered by several factors. Some of the factors that hinder new product development are the following:

- Shortage of Important Ideas in certain areas
- There may be few ways left to improve some basic products
- Fragmented markets
 - ✓ Keen competition is leading to market fragmentation. Companies have to aim their new products at smaller market segments, and this can mean lower sales and profits for each product .
- Social and product governmental constraints.
 - ✓ New products have to satisfy consumer safety and environmental concerns.
- Costliness of the development process
 - ✓ A company typically has to generate many ideas to find just one worthy of development- furthermore, the company often faces high R &D , costs.
- Capital shortages; some companies with good ideas cannot raise the funds needed to research and then launch.
- Shorter product life cycles.
 - ✓ When a new product is successful, rival are quick to copy it.
- As per cooper and kleinschmidt, the number one success factor in new products development is a unique superior product .

2.12 Success Drivers in new product development

The challenges in successful product innovation is to design a playbook, blue print ,or process by which new product projects can move from the idea stage through to a successful launch and beyond , quickly and effectively . Before changing into design this playbook, it is important first understand the secrets to success- what separates successful innovation projects from the failures, the critical success factors that make the difference between winning and losing.

Some are fairly obvious, but before you dismiss them as ‘too obvious’, recognize that most firms still neglect them. As we probe each into an operational facet of your new product system or playbook.

1) A unique-superior product is the number one driver of new product profitability.

Delivering products with unique benefits and real value to users-bold innovation-separates winners from losers more often than any other single factor . Such superior products have five times the success rate , over four times the market share, and four times the probability of products lacking this ingredient.

- The definition of ‘ what is unique and superior’ and ‘ what is a benefit’ is from the customer’s perspective . So it must be based on an in-depth understanding of different customer needs, wants, problems, likes and dislikes.

. **Determine the customer needs at the outset-** Build in voice –of-customer (voc) usually fairly obvious, and easy for the customer to talk about . But spotting needs , is more of a challenge , but often yields a breakthrough new product.

. **Do a competitive product analysis.** – If you can spot the competitors’ product weaknesses, then you are halfway to beating them . The goal is product superiority and that means superiority over the current or future competitive offering. Never assume the competitor’s current product will be the competitive benchmark by the time you hit the market.

. **Build in multiple test iteration to test and verify your assumptions about your winning – product design.** Test the concept with users and make sure they indicate a favorable response. That is, even before serious development work begins , start testing the product!

2) Building in the voice of the customer into a market-driven, customer –focused new-product process.

But the great majority of companies miss the mark here, with insufficient VoC and no fact-based customer insights (in more than 75 percent of projects according to one investigation). A thorough understanding of customers’ or users’ needs and wants, the competitive situation, and the nature of the market is an essential component of new product process.

Strong market focus must prevail throughout the entire new-product project, and should be considered throughout the new- product process:

. **Idea Generation:** Devote more resources to market –oriented idea generation activities . The best ideas come from customers!

. **The design of the product:** Use market research as an input to the design decisions to help guide the project team before they charge into the design of the new product.

. **Before pushing ahead into development:** Be sure to test the product concept with the customer by presentation a representation of the product, and gauging the customer’s interest, liking, and purchase intent.

. **Throughout the entire project:** Customer inputs shouldn’t cease at the completion of the pre-development market studies. Keep bringing the customer into the process to view facets of the product verifying all assumptions about the winning design.

3. Doing the homework and front-end loading the project-due diligence done before product development gets under way.

The best innovators are much more proficient when it comes to completing activities in the ‘fuzzy front end’ of projects- they do their homework:

- . **Initial screening**- the first decision to get into the project.
- . **Preliminary market assessment**- the first and quick market study.
- . **Preliminary technical assessment**- a technical appraisal of the project .
- . **Preliminary operations assessment**- Manufacturing and operations issue.
- . **Detailed market research**, market research ,and VoC research.
- . **Concept Testing**- testing the concept with the customer or user.
- . **Value assessment**- determining the value or economic worth of the product to the customer.
- . **Business and financial analysis** –Just before the decision to ‘Go to Development’ (building the business case).

4) Getting sharp and early product and project definition means higher success rates and faster to market.

Securing sharp, early stable, and fact-based product definition before development begins is one of the strongest drivers of cycle-time reduction and new product success .

Acknowledging a stable product definition is a challenge – even the best innovations struggle.

5) Spiral Development- Put something in front of the customer early and often-gets the product right.

Spiral development is the way that fast-paced teams handle the dynamic information process with fluid, changing information. Many businesses use too rigid and linear process for product development. By proceeding in a linear and rigid process, the project team and business set themselves up for failure.

Smart project teams and business practice spiral development. Best innovator businesses are 6 times more likely to interface with customers and users throughout the entire Development stage.

6) A well-conceived, properly executed launch is central to new product success.

Not only must your product be superior, but its benefits must be communicated and marketed aggressively. A quality launch is strongly linked to new product profitability.

Don't assume good products sell themselves, and don't treat the launch as an afterthought. A well integrated and properly targeted launch doesn't occur by accident, however, it is the result a fine-tuned marketing plan, properly backed and resourced, and proficiently executed.

7) Speed counts! There are many good ways to accelerate development projects, but not at the expense of quality of execution.

Speed to market is an admirable goal, and there are many apparently valid reasons that cycle-time reduction should be a priority.

. **Speed yields competitive advantage** : First in will win!

.**Speed yields higher profitability**

. **Speed means fewer surprises.**

Speed is important, but not as vital as one might have assumed. Speed is only an interim objective- a means to an end.

2.13 Customer Satisfaction

Customer satisfaction is the extent of frequent buying of a product and service. Customer satisfaction create value for customer, in short supervision of their hopes and to fulfill their requirements(GUZZO,2010)

Consumer satisfaction is defined as meeting one's criteria or satisfying one's hope or we can say that if customer is satisfied with products and services , it has a different emotion or manners towards a particular brand it has used. Maiyaki et al.(2011) .

They more explain consumer satisfaction is one of the main goal of marketing action whereby it create relationship what consumers purchase and how they act. It is clear that if anyone is satisfied with specific offer or product he will acquire themselves grip in repurchase.

Customer satisfaction is a highly personal assessment that is greatly influenced by individual expectations.

2.14 The price of the banking services: concept, characteristics, particularities

For a bank the price is one of the elements of the marketing mix. The prices must always be in conformity with the four Ps and they must not be considered as a purely financial problem, in which they are calculated by estimating the costs, to which a margin for profit will be added. The marketing evaluates the market ,essentially, from the client's point of view . Thus , the perception of the price by the client is more critic than the size of the development costs or of

the profit that will be realized.

The evaluation of the cost of a service involves two problems (Bateson, Hoffman,1999,p.179)

- The identification of the costs relevant for the company when the profit for a certain service is calculated.
- The identification of some methods for the allocation of the relevant costs on this service.

From the ones mentioned before we may break off three main differences between the evaluation of the price in the material goods and its evaluation on services (Zethaml, Bittner,200,p.429)

- The consumers have in most of the cases incomplete or insufficient information about services.
- The price is a visible element of the service's quality.
- The monetary costs are not the only relevant elements in the settlement of the price

One of the most used methods of price calculation is the one based on the value of the service perceived by the consumer.

The consumers define the value in four ways:

- The value represents a low price
- The value represents what they expect from a product or service.
- The value represents what they receive for the price they pay
- The value represents what they receive for what they give.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Research Design

Research design constitutes the blueprint for the collection, measurement and analysis of data. It aids the researcher in the allocation of limited resources by providing crucial choices in methodology. Moreover, it expresses both the structure of the research problem- the framework, organization, or configuration of the relationships among variables of a study- and the plan of investigation used to obtain empirical evidence on the relationship.

Research design is the arrangement of condition for collecting and analyzing data in a manner that aims to combine relevance to the research purpose with the economy in procedure (Kothari, 2004). Thus the study adopted a descriptive and explanatory research design. Because descriptive research involves gathering data that describe events and then organizes, tabulates, depicts, and describes the data collection (Kothari, 2004). The use of descriptive design yields rich data that leads to appropriate analysis. In addition this methods also helps to address “new product development and customer satisfaction”. Letter on it helps us to use quantitative methods analysis on numerical depict from the gathered or target respondents.

The researcher was tried to examine new product innovation and customer satisfaction of Banking Industry in Ethiopia the case of Awash Bank. In order to undertake the study and clearly understand the objectives of the study, the researcher use Quantitative type of research approach. Quantitative data was collected to examine the satisfaction of the respondents.

3.2 Target Population

Currently, there are 18 Commercial banks in Ethiopia. They are described here below:

Abay Bank S.C Addis International Bank, Awash Bank, Bank of Abyssinia, Berhan International Bank, Bunna International Bank, CBE, Cooperative Bank of Oromia ,Dashen Bank, Dehub Global Bank, DBE, Enat Bank ,Lion International, Nib International Bank, Oromia International Bank, United Bank, Wegagen Bank and Zemen Bank. However, the research was limited to Awash Bank S.C which has currently about 353 branches. Addis Ababa city comprises of 158 branches and the remaining 195 branches are constituted by outlying branches. The researcher limited its target population to Addis Ababa city branches.

3.3 Sampling Techniques

Malhotra (2007) claimed that, theoretically, the sampling procedures conducted were mainly based on probability standards (random or probability samples) and non-probability standards (no probability samples). Convenience sampling is inherently a non-probability sampling method. Thus the researcher adopted a convenience sampling method to obtain large number of completed questionnaires quickly and economically. In addition to this convenience sampling method helps the researcher to assess the target population easily or availability of data.

3.4 Sample Size

A larger sample can yield more accurate results-but excessive responses can be pricey. In order to determine the sample size the following points are considered:

- A. Population size
- B. Margin of error(confidence interval)
- C. Confidence level
- D. Standard deviation

Accordingly, in order to determine the sample size the researcher has used +/- 5 % margin error a 95% confidence level and a .5 variance.

The researcher has preferred to use a .5 variance as safe variance since the researcher doesn't actually administered the survey yet. Hence, the sample size is computed using the following formula as follows:

Necessary Sample Size= $(Z\text{-score})^2 * \text{Std Dev} * (1\text{-StdDev}) / (\text{Margin of error})^2$

A 95% Z-Score value is 1.96 i.e, $(1.96)^2 * .5(.5) / (.05)^2$

$3.8416 * .25 / 0.0025$

$0.9604 / 0.0025$

384 respondents were taken

Therefore, the sample size was 384 customer of Awash bank

3.5 Sources and Instruments of data collection

For the realization of the research objectives, the researcher gathered quantitative data through the enquiry of both primary and secondary sources.

The primary data was obtained using self administered questionnaire whereas; secondary data was organized from magazines, brochures, different books, websites, policies, announcements.

Questionnaire was used due to the merits such as low cost, respondents have adequate time to give well thought out answers)

3.6 Procedures of data collection

A closed structure questionnaire was used to collect the quantitative data from the selected sample respondents.

3.7 Method of Data Analysis

SPSS computer program was used to analyze the data. Based on the research questions, descriptive statistics (frequency, percentage, mean and standard deviation) and inferential statistic, analysis of variance (ANOVA) were employed. In addition, Pearson correlation analysis was used to assess relationship among the three dimensions of customer satisfaction.

3.8 Reliability and Validity

Reliability

Reliability is extents to which a variable or set of variables is consistent with what it is intended to measure (Haire et al, 1998)

Bryman and Bell (2008) argue that the reliability indicate the quality of the measuring instrument of the research . Hence, the research is aiming at creating surveys, which could be answered in the same way by the respondents if they would answer the survey a second time. Therefore, to maintain reliability, the questions are formulated so that they could be easily understood and with the help of predetermined answer alternatives the researcher was tried to decrease the risk of the answers varying if the study was performed a second time . The risk of a question being misunderstood can never be eliminated even though the researcher was tried to make the risk as small as possible. The researcher had made a valid test to check out the extent to which the variables are consistent with what it is intended to measure.

Customer Centricity	10	0.859
Attractive and innovativeness	7	0.653
Price of the new Products	6	0.812

Therefore, the above result depicted that the variables are reliable to measure what is intended to measure.

Validity

Validity refers to a situation when evidence proves that the findings are reasonable (Mc Millan,2012) . During the design process, it was decided to keep the questions simple and avoid open questions so that the respondents would easily understand the questions. Anonymity was promised so that respondents would feel comfortable while filling the questionnaire.

CHAPTER FOUR

RESULTS AND DISCUSSION

4.1 Introduction

This chapter specifically focuses on presentation and analysis of the data collected and discussion of the results.

4.2 Analysis of data collected from customers

The analysis was based on the data gathered from 380 customers of Awash Bank which are working with Addis Ababa branches. So as to get a representative data, 384 questionnaires were prepared and distributed to customers of the bank by non-random sampling procedure.

Accordingly, 380 questionnaires were collected representing 99% response rate. This is consistent with Fowlers (2009) stipulation that a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent.

4.2.1 Characteristics of Background Variables

Table 1

Frequency and Percentage of Background Variables

Variable	Group	Frequency	Percentage
Sex	Male	210	55.3
	Female	170	44.7
	Total	380	100.0
Age	18-24	166	43.7
	25-34	71	18.7
	35-44	103	27.1
	45-54	32	8.4
	>54	8	2.1
	Total	380	100.0
Marital Status	Married	201	52.9
	Single	166	43.7
	Divorced	13	3.4
	Total	380	100.0
Year of relationship with the bank	1-5	176	46.3
	6-10	128	33.7
	11-15	58	15.3
	>15	18	4.7
	Total	380	100.0
Educational Level	Certificate	96	25.3
	Diploma	120	31.6
	Degree	132	34.7
	Masters	32	8.4
	Total	380	100.0

Table 1 shows frequency and percentage of background variables of participants participated in this study. A total of 380 participants involved in this study of which almost half (55.3%) were male, and the remaining 44.7% were female this imply that majority of the respondents

are represented by male. Regarding age, the majority of participants (43.7%) were in the age group of 18-24 years old. 27.1% of participants were in the age range of 35-44 years old. Whereas minorities of participants, 8.4% and 2.1%, were in the age group of 45-54 and more than 54 years old respectively this indicates that more of the respondents are young and have keen interest to get new things from the bank. For marital status, 52.9% and 43.7% of participants were married and single respectively. While the remaining minority, 3.4%, were divorced.

Regarding year of relationship with the bank of participants, relatively the majority of participants, 46.3% and 33.7%, were having year of relationship of 1-5 years and 6-10 years in their organization respectively. The remaining 15.3% and 4.7% were having 11-15 years and more than 15 years of service in their organization respectively. This infers that most of the respondents are using service of the bank for longer period.

Finally, as far as educational level of participants is concerned, 34.7% were having educational qualification of Bachelor Degree, 31.6% of participants were having educational level of diploma, and 25.3% were having educational level of certificate whereas the remaining minorities, 8.4%, were having educational level of MA/MSc. This indicates that most of the respondents of the customers have a good educational background to evaluate the banks new product and understand and fill the questionnaire carefully

4.2.2 Level of Satisfaction of Customers in Relation to Customer Centricity, Attractive and Innovative and Price of the New Product

Table 2

Descriptive Statistics of Customer Centricity Items

Items	n	Mean	Std. Deviation
CC1	380	4.2763	.79575
CC2	380	4.2658	.71942
CC3	380	4.1553	.94693
CC4	380	4.0921	.87742
CC5	380	4.1368	.92586
CC6	380	4.0211	.97978
CC7	380	4.1184	.94669
CC8	380	4.1868	.90983
CC9	380	4.2342	.82532
CC10	380	4.3000	.88643
CCTotal	380	41.7868/4.18	5.87732/0.58773

As can be seen from table 2 the mean score of all customer centricity items were greater than 4. The mean score of item 10 which asks about customer centricity was 4.30 with a standard deviation of 0.89 implying that it was the highest mean score of all. The mean score of item

number 1 (M = 4.28, SD = 0.80) and 2 (M = 4.27, SD = 0.72) was the second and the third highest mean score respectively. On the other hand, the mean score of item number 6 (M = 4.02, SD = 0.98) was the lowest mean score of all. The overall mean score of customer centricity items was 4.18 with SD of 0.59 implying that, in general, the level of customer centricity was high.

Table 3

Descriptive Statistics of AI Items

Items	n	Mean	Std. Deviation
AI1	380	4.0500	.90155
AI2	380	4.1921	.93732
AI3	380	3.8605	1.04466
AI4	380	2.7974	1.28867
AI5	380	2.6947	1.28374
AI6	380	3.6395	1.29908
AI7	380	3.7737	1.27751
AITotal	380	25.0079/3.5725	4.62441/0.6606

Table 3 shows that the mean score of AI items ranges from 2.69 to 4.19. The mean score of item number 2 (M = 4.19, SD = 0.94) was the highest mean score of all followed by item number 1 (M = 4.05, SD = 0.90). However, the mean score of item number 5 (M = 2.69, SD = 1.28) was lowest mean score from the total items. The overall mean score of AI items was 3.57 with SD of 0.66 indicates that, in general, the level attractive and innovative was high.

Table 4

Descriptive Statistics of P Items

Items	n	Mean	Std. Deviation
P1	380	3.6395	1.11076
P2	380	3.6605	1.17719
P3	380	3.6211	1.23219
P4	380	3.7632	1.18331
P5	380	3.2605	1.21469
P6	380	3.2368	1.17436
PTotal	380	21.1816/3.53	5.09241/0.85

As can be seen from table 4 the mean score of all P items were greater than 3.20. The mean score of item number 4 was 3.76 with a standard deviation of 1.21 which implies that this mean score was the highest from the total of 6 P items. The mean score of item number 2 (M = 3.66, SD = 1.18) and item number 1 (M = 3.64, SD = 1.11) was the second and third highest mean scores respectively. On the other hand, item number 6 (M = 3.24, SD = 1.17) was the

least mean score. The overall mean score of P items was 3.53 with standard deviation of 0.85 which implies that, in general, the level of price of the new product was high

4.2.3 Relation between the independent Variables

According to Reimann, Filzmoser, Garrett and Dutter (2008) correlation analysis estimates the extent of the relationship between any pair of variables (Reimann, Filzmoser, Garrett, & Dutter, 2008). The extent of the relationship between any two variables is expressed in terms of correlation coefficient. The correlation coefficient is a measure of this relationship and depends on the variability of each of the two variables. Correlation coefficient has both magnitude and direction. As a result, correlation coefficient can take a number with + or – sign (Reimann et.al, 2008).

Pearson product moment correlation is one of the commonly used methods to calculate a correlation coefficient. This method result in a number between –1 and +1 that expresses how closely the two variables are related, ± 1 shows a perfect 1:1 relationship (positive or negative) and 0 indicates that no systematic relationship exists between the two variables (Reimann et.al, 2008). Regarding the magnitude of correlation coefficient, Cohen (1988) stated that a correlation coefficient between 0.10 to 0.29 can be considered as small or weak, from 0.30 to 0.49 medium and from 0.50 to 1.0 large or strong.

Table 5

Correlation Analysis of the Independent Variables

	CCTotal	AITotal	PTotal
CCTotal	1	.457**	.494**
AITotal		1	.642**
PTotal			1

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

Source: Researcher’s survey findings

Table 5 shows correlation among the independent variables. As can be seen in table 3 there was a statistically positive significant relationship among all variables. The correlation between Customer centricity (CC) and attractive and innovative (AI) was moderate, $r = 0.457$, $p < 0.01$. This implies that as one variable increase, for example as customer centricity increases, the other variable attractive and innovative also increases and vise-versa. Similarly there was a moderate correlation between Customer centricity and price of the new product (P), $r = 0.494$, $p < 0.01$.

The correlation between attractive and innovative and price of the new product was strong, $r = 0.642$, $p < 0.01$.

4.2.4 Mean Difference between Groups of Background Variables on independent Variables

A one-way between groups analysis of variance was used to explore the impact of background variables on the three dimensions of customer satisfaction. Preliminary assumption testing was conducted to check for normality, linearity and homogeneity of variance, and there was no serious violation noted.

Table 6

Mean Difference between Groups of Background Variables on CC

Variable	Group	N	Mean	SD	df	F	Sig.
Sex	Male	210	41.3619	6.27309	1,378	2.463	.117
	Female	170	42.3118	5.31965			
Age	18-24	166	41.9337	5.17469	4,375	2.533	.040
	25-34	71	41.7746	7.07349			
	35-44	103	42.2913	4.81752			
	45-54	32	40.9375	6.68623			
	>54	8	35.7500	12.38375			
Marital Status	Married	201	41.7910	6.15923	2,377	.864	.422
	Single	166	41.6205	5.67242			
	Divorced	13	43.8462	3.36269			
Year of relationship with the bank	1-5	176	42.1818	5.26128	3,376	7.548	.000
	6-10	128	42.8359	4.90986			
	11-15	58	39.4483	6.60986			
	>15	18	38.0000	10.71557			
Educational Level	Certificate	96	42.4271	5.44976	3,376	6.327	.000
	Diploma	120	42.4417	5.58479			
	Degree	132	41.7197	5.61529			
	Masters	32	37.6875	7.61763			

Source: Researcher's survey findings

A one way between-group analysis of variance was conducted to explore whether there was a statistically significant mean difference between groups of background variables on customer centricity. Table 6 shows that there was a statistically significant customer centricity mean difference between groups of background variables like year of relationship with the bank and educational level. However, there was no statistically significant mean difference between groups of gender, age and marital status.

For age, Post-hoc group comparison using Tukey HSD shows that participants whose age were 54 and more (M = 35.75, SD = 5.17) had lower mean score than participants in the age range of 18-24 (M = 41.93, SD = 5.17), 25-34 (M = 41.77, SD = 7.07) and 35-44 (M = 42.29, SD = 4.81). However, there was no statistically significant mean score difference among the rest groups of age.

Post-hoc group comparison using Tukey HSD shows that participants having year of relationship with the bank 6-10 (M = 42.83, SD = 4.91) had significantly higher mean score than participants having of 11-15 (M = 39.45, SD = 6.61). However, there was no statistically significant mean score difference among the rest groups of year of relationship.

For education level, Post-hoc group comparison using Tukey HSD shows that participants having educational level of certificate (M = 42.43, SD = 5.45) had significantly higher mean score than participants having educational level of masters (M = 37.68, SD = 7.61), Diploma (M = 42.44, SD = 5.58) had significantly higher mean score than participants having educational level of masters.

Table 7
Mean Difference between Groups of Background Variables on AI

Variable	Group	N	Mean	SD	Df	F	Sig.
Sex	Male	210	24.7810	4.59244	1,378	1.131	.288
	Female	170	25.2882	4.66187			
Age	18-24	166	25.5120	4.60137	4,375	4.978	.001
	25-34	71	22.8592	4.97794			
	35-44	103	25.4078	4.37335			
	45-54	32	25.5625	4.04760			
	>54	8	26.2500	1.16496			
Marital Status	Married	201	25.3433	4.57783	2,377	3.657	.067
	Single	166	24.4157	4.65170			
	Divorced	13	27.3846	3.96943			
Year of relationship with the bank.	1-5	176	24.5852	4.16017	3,376	1.850	.138
	6-10	128	25.7188	4.74207			
	11-15	58	24.5172	5.38758			
	>15	18	25.6667	5.13351			
Educational Level	Certificate	96	26.3854	3.29392	3,376	22.684	.000
	Diploma	120	26.4333	4.57933			
	Degree	132	23.7727	4.81187			
	Masters	32	20.6250	3.12895			

Source: Researcher's survey findings

A one way between-group analysis of variance was conducted to explore whether there was a statistically significant mean difference between groups of background variables on Attractive and innovative. Table 7 shows that there was a statistically significant Attractive and innovative mean score difference between background variables like age, and educational

level. However, there was no statistically significant mean difference between groups of gender, marital status and work experience.

Concerning age, Post-hoc group comparison using Tukey HSD shows that participants in the age range of 18-24 (M = 25.51, SD = 4.60) had significantly higher mean score than participants in the age group of 25-34 (M = 22.86, SD = 4.98). However, there was no statistically significant mean score difference among the rest groups of age groups.

Regarding educational level, Post-hoc group comparison using Tukey HSD shows that participants having educational level of masters (M = 20.62, SD = 3.13) had significantly lower mean score than participants having educational level of certificate (M = 26.32, SD = 3.31), first degree (M = 23.81, SD = 4.74) and diploma (M = 26.38, SD = 4.29). Similarly, participants having educational level of first degree (M = 23.77, SD = 23.77) had significantly lower mean score than participants having educational level of certificate and diploma. However, there was no statistically significant mean score difference between participants having educational level of diploma and certificate.

Table 8

Mean Difference between Groups of Background Variables on P

Variable	Group	N	Mean	SD	Df	F	Sig.
Sex	Male	210	20.7429	5.25526	1,378	3.507	.062
	Female	170	21.7235	4.84433			
Age	18-24	166	21.1325	4.85866	4,375	4.480	.002
	25-34	71	19.4366	5.31771			
	35-44	103	21.9126	5.25078			
	45-54	32	23.3750	4.17172			
	>54	8	19.5000	4.69042			
Marital Status	Married	201	21.4428	4.95661	2,377	1.864	.156
	Single	166	20.7169	5.22215			
	Divorced	13	23.0769	5.15528			
Year of relationship with the bank.	1-5	176	21.0625	4.32423	3,376	4.937	.002
	6-10	128	22.3125	4.97672			
	11-15	58	19.6897	6.55933			
	>15	18	19.1111	5.87005			
Educational Level	Certificate	96	22.3854	3.54035	3,376	10.863	.000
	Diploma	120	22.1750	5.30683			
	Degree	132	20.2803	4.93208			
	Masters	32	17.5625	6.51518			

Source: Researcher's survey findings

A one way between-group analysis of variance was conducted to explore whether there was a statistically significant mean difference between groups of background variables on Price of the new product. Table 8 shows that there was a statistically significant Price of the new product mean score difference between background variables like age, year of relationship

with the bank and educational level. However, there was no statistically significant mean difference between groups of gender and marital status.

For age, Post-hoc group comparison using Tukey LCD shows that participants in the age range of 45-54 ($M = 23.37$, $SD = 4.17$) had significantly higher mean score than participants in the age group of 35-44 ($M = 21.92$, $SD = 5.25$) and 25-34 ($M = 19.44$, $SD = 5.32$). However, there was no statistically significant mean score difference among the rest groups of age groups.

Concerning year of relationship with the bank, Post-hoc group comparison using Tukey LCD shows that participants having year of relationship of 6-10 ($M = 22.31$, $SD = 4.98$) had significantly higher mean score than participants having year of relationship of 11-15 ($M = 19.69$, $SD = 6.56$). However, there was no statistically significant mean score difference between among the rest groups of work experience.

Regarding educational level, Post-hoc group comparison using Tukey HSD shows that participants having educational level of masters ($M = 17.56$, $SD = 6.52$) had significantly lower mean score than participants having educational level of certificate ($M = 22.38$, $SD = 3.54$) and diploma ($M = 22.18$, $SD = 5.31$). However, there was no statistically significant mean score difference among the rest groups of educational level.

4.3 DISCUSSIONS

After proper collection of the questionnaires, the researcher explored the level of customers' satisfaction towards new product innovation using the three independent variables: customer centricity of the new product, attractive and innovativeness of the new product and price of the new product.

4.3.1 Level of satisfaction of customers in relation to customer centricity of the new product.

Regarding the level of customer centricity, table 2 shows that the calculated mean score was 41.79 and the hypothetical mean score was 30. This means in 10 items of a 5-point Likert scale the possible score ranges from 10 ($10 \times 1 = 10$) to 50 ($10 \times 5 = 50$) and the hypothetical mean score becomes 30 ($10 \times 3 = 30$). The calculated mean score was greater than the hypothetical mean score. One sample t-test result showed that there was a statistically significant mean score difference between the hypothetical mean/test value and calculated mean, $t = 39.09$, $df = 379$, $p < 0.001$. This implies that the level of customer centricity was high.

As we know banks are dynamic and customer centric financial service providers. Satisfied customers are central to their optimal performance and subsequent financial return.

Customer satisfaction is a complex construct and understanding that nuances of customer satisfaction is a challenging task (Ting,2006), Sheth et al.(2000) argue that companies can attract core customers if they practice ‘supply-driven marketing,’ which entails offering new services to customers by understanding the existing market and its future trends.

Matthing et al (2004), pp. 487 defines the process of customer involvement as follow:

“Customer involvement is the processes, deeds and interactions where a service provider collaborates with current (or potential) customers to learn about the market and alter organizational behavior”. Magnusson et al. (2003) state that; for service companies, to be competitive in a market the single most important factor is a successful development of innovative services. Therefore, the result is in agreement with previous research. Hence, Awash Bank should give due attention to maintain its customer centric strategy. The empirical study also show that the customers feel that the bank is more receptive for customer centric new product innovation to satisfy its customers.

To the contrary, according to Mello(2001) ‘contemporary authors, consultants and top managements uses phrases such as customer orientation, customer-driven, listen to the voice of the consumerhowever there is a yawning gap between how well senior management think ,they address customer concerns and how well they actually do’. The customers are becoming more influential as a factor in product development process, however as stated by Mello (2001) there are still issues concerning on how it is implemented in the development process.(the need for further research)

4.3.2 Level of Satisfaction of Customers in Relation to Attractive and Innovative of the New Product

Concerning attractive and innovative, table 2 indicates that the calculated mean score (25.01) was greater than the hypothetical mean score (21). One sample t-test analysis shows that there was a statistically significant mean score difference between the hypothetical mean/test value and the calculated mean, $t = 16.89$, $df = 379$, $p < 0.001$. This implies that the level of attractive and innovative was high.

The empirical study depicted that the calculated mean score was greater than the hypothetical mean score. The finding of the result clearly depicted that Awash Bank customers participating on the study were satisfied with regard to attractive and innovative nature of the new product innovation. On previous research, the disconfirmation of expectation paradigm (Oliver, 1980) holds that customer loyalty (e.g. intention to stay loyal, willingness to

recommend a brand to others) is a function of customer satisfaction. Hence, the result is in agreement with previous research.

Therefore, from the empirical finding of the research, Awash Bank top management should maintain its strategy regarding attractive and innovative nature of the new product.

To the contrary:

With the advancement of technology many new products are introduced in the marketplace. These products represent the manufacturer's ability to produce the product rather than satisfying the existing demand. Hence, they are technology pushed but not market-pulled. When facing the new technology, consumers ask: "Can I get it cheaper?" "Is this working fast enough or is it likely to perform well?" (King, 1995). These questions, combined with technophobia, typically affect the acceptance process of technical new products. Consumers may have some anxiety and therefore may resist dealing with a new technology (Ram et al., 1996). The higher the technological complexity of a new product, the more hesitant the consumers are in accepting it. (the need for further research)

4.3.3 Level of Satisfaction of customers in relation to price of the new product innovation.

For price of the new product, table 2 indicates that the calculated mean score (21.18) was greater than the hypothetical mean score (18). One sample t-test analysis shows that there was a statistically significant mean score difference between the hypothetical mean/test value and the calculated mean, $t = 12.17$, $df = 379$, $p < 0.001$. This implies that the level of price of the new product was high.

As the empirical evidence of the research depicted from above, respondents are satisfied with the pricing scheme of the bank with regard to new product innovation. Therefore, the bank should maintain its strategy.

Management practice, previous empirical studies, and consumer theory suggested that higher levels of innovativeness would be associated with lower price sensitivity, therefore, satisfaction of the respondents may be due to attractive and innovative nature of the new product. However, to the contrary,

There are important questions, of both theoretical and managerial interest, concerning the determinants of price sensitivity and its relation to other consumer behaviours. How is product knowledge and price sensitivity related? Can providing more information to consumers via advertising and promotion make them less sensitive to price? Also, the price-quality issue

remains ambiguous. Sometimes consumers use price as an indicator of quality and sometimes they do not. Different levels of product knowledge may account for this divergent pattern, and price sensitivity may also play a role, with consumers low in price sensitivity less likely to make the price .quality inference(JOURNAL OF PRODUCT & BRAND MANAGEMENT, VOL. 6 NO. 3 1997)

4.3.4 Correlation among the Independent Variables

Table 3 shows correlation among the independent variables. As can be seen in table 3 there was a statistically positive significant relationship among all variables. The correlation between Customer centricity (CC) and attractive and innovative (AI) was moderate, $r = 0.457$, $p < 0.01$. This implies that as one variable increase, for example as customer centricity increases, the other variable attractive and innovative also increases and vice-versa. Similarly there was a moderate correlation between Customer centricity and price of the new product (P), $r = 0.494$, $p < 0.01$. The correlation between attractive and innovative and price of the new product was strong, $r = 0.642$, $p < 0.01$.

One of the factors that influence the performance of highly innovative service innovation is market responsiveness. And to get market responsiveness firms need to understand customer needs and wants. (Journal of service marketing. Volume24-Number1-2010-3-15).

Moreover, the greater level of innovativeness are associated with lower price sensitivity (Bearden et al.,1995,p287; kotler 1994 ,p.493)

Therefore, the result is in agreement with previous research. Regarding customer centricity and price of the new product, as price increases purchase decreases(price elasticity) but sometimes customers responsiveness to price increase the case of innovative products is low(inelastic) which needs additional further study.

4.3.5 Mean Difference between Groups of Background Variables on independent Variables

A one-way between groups analysis of variance was used to explore the impact of background variables on the three dimensions of customer satisfaction. Preliminary assumption testing was conducted to check for normality, linearity and homogeneity of variance, and there was no serious violation noted.

A one way between-group analysis of variance was conducted to explore whether there was a statistically significant mean difference between groups of background variables on customer centricity. Table 4 shows that there was a statistically significant customer centricity mean difference between groups of background variables like year of relationship with the bank and

educational level. However, there was no statistically significant mean difference between groups of gender, age and marital status.

For age, Post-hoc group comparison using Tukey HSD shows that participants whose age were 54 and more ($M = 35.75$, $SD = 5.17$) had lower mean score than participants in the age range of 18-24 ($M = 41.93$, $SD = 5.17$), 25-34 ($M = 41.77$, $SD = 7.07$) and 35-44 ($M = 42.29$, $SD = 4.81$). However, there was no statistically significant mean score difference among the rest groups of age.

Post-hoc group comparison using Tukey HSD shows that participants having year of relationship with the bank 6-10 ($M = 42.83$, $SD = 4.91$) had significantly higher mean score than participants having of 11-15 ($M = 39.45$, $SD = 6.61$). However, there was no statistically significant mean score difference among the rest groups of year of relationship.

For education level, Post-hoc group comparison using Tukey HSD shows that participants having educational level of certificate ($M = 42.43$, $SD = 5.45$) had significantly higher mean score than participants having educational level of masters ($M = 37.68$, $SD = 7.61$), Diploma ($M = 42.44$, $SD = 5.58$) had significantly higher mean score than participants having educational level of masters.

As the empirical result depicted, participants whose age were 54 and more were had lower mean score than the remaining age group participants. This result may be due to seniors lag behind younger customers when it comes to tech adoption.

Regarding year of relationship with the bank and educational level, the higher mean score may be due to the matching of customers expectation and actual performance of the new services/products of the bank from customer centricity point of view.

4.3.6 Mean Difference between Groups of Background Variables on AI and P

4.3.6.1 Mean Difference between groups of background variables on AI

Concerning age, Post-hoc group comparison using Tukey HSD shows that participants in the age range of 18-24 ($M = 25.51$, $SD = 4.60$) had significantly higher mean score than participants in the age group of 25-34 ($M = 22.86$, $SD = 4.98$). However, there was no statistically significant mean score difference among the rest groups of age groups.

Regarding educational level, Post-hoc group comparison using Tukey HSD shows that participants having educational level of masters ($M = 20.62$, $SD = 3.13$) had significantly lower mean score than participants having educational level of certificate ($M = 26.32$, $SD =$

3.31), first degree ($M = 23.81$, $SD = 4.74$) and diploma ($M = 26.38$, $SD = 4.29$). Similarly, participants having educational level of first degree ($M = 23.77$, $SD = 23.77$) had significantly lower mean score than participants having educational level of certificate and diploma. However, there was no statistically significant mean score difference between participants having educational level of diploma and certificate.

The above finding clearly depicted that younger customers were satisfied with attractive and innovative part of the new product. Whereas expectation of educated customers of the bank were demanding which requires the eye of the top management in satisfying of those customers related to attractive and innovation part of the new product.

4.3.6.2 Mean Difference between groups of background variables on p

Table 6 shows that there was a statistically significant Price of the new product mean score difference between background variables like age, year of relationship with the bank and educational level. However, there was no statistically significant mean difference between groups of gender and marital status.

For age, Post-hoc group comparison using Tukey LCD shows that participants in the age range of 45-54 ($M = 23.37$, $SD = 4.17$) had significantly higher mean score than participants in the age group of 35-44 ($M = 21.92$, $SD = 5.25$) and 25-34 ($M = 19.44$, $SD = 5.32$). However, there was no statistically significant mean score difference among the rest groups of age groups.

Concerning year of relationship with the bank, Post-hoc group comparison using Tukey LCD shows that participants having year of relationship of 6-10 ($M = 22.31$, $SD = 4.98$) had significantly higher mean score than participants having year of relationship of 11-15 ($M = 19.69$, $SD = 6.56$). However, there was no statistically significant mean score difference between among the rest groups of work experience. This finding clearly depicted that junior customers are satisfied regarding the fair price of the new product.

Regarding educational level, Post-hoc group comparison using Tukey HSD shows that participants having educational level of masters ($M = 17.56$, $SD = 6.52$) had significantly lower mean score than participants having educational level of certificate ($M = 22.38$, $SD = 3.54$) and diploma ($M = 22.18$, $SD = 5.31$). However, there was no statistically significant mean score difference among the rest groups of educational level. Therefore, the empirical result is in agreement with previous research which stated as consumers should not rely on price as a sole indicator of quality if other indicators are available. (Journal of product and brand management ,(2014.)

CHAPTER 5

SUMMARY OF KEY FINDINGS, CONCLUSIONS, RECOMMENDATIONS AND IMPLICATIONS FOR FURTHER RESEARCH

5.1 SUMMARY OF KEY FINDINGS

- A total of 380 participants were involved in the study of which almost half (55.3) were male and the remaining 44.7% were female.
- Regarding age, the majority of participants (43.7%) were in the age range of 18-24 years old and 27.1 % of participants were in the age range of 35-44 years old. Concerning educational background of respondents, the majority of the respondents (34.7%) were having educational qualification of bachelor of degree, and 31.6% of participants were having educational level of diploma. Regarding year of relationship with the bank, the majority of participants (46.3%) and 33.7% were having year of relationship of 1-5 years and 6-10 years respectively in the bank. For marital status, 52.9% and 43.7% of participants were married and single respectively.
- With regard to level of satisfaction of customers in relation to customer centricity, the mean score of all customer centricity items were greater than 4. The mean score of item 10 which asks about alignment of the new product of awash bank with account security of the customer was 4.30 with a standard deviation of 0.89 implying that it was the highest mean score of all. The mean score of item number 1 (M= 4.28, SD= 0.80) and item number 2 (M=4.27, SD=0.72) were the second and third highest mean score respectively. On the other hand , the mean score of item number 6 (M= 4.02,SD=0.98) were the lowest mean score of all. The overall mean score were 4.18 with SD, of 0.59 implying that, in general the level of customer centricity was high.
- Regarding level of satisfaction of customers in relation to AI, the mean score of item number 2 (M= 4.149, SD=0.94) was the highest mean score of all followed by item number 1(M= 4.05,SD=0.90). However, the mean score of item number 5 (M=2.69, SD=1.28) was the lowest of all. The overall mean score of all items were 3.57 with SD of 0.66 indicate that in general the level of attractive and innovative was high.
- Regarding level of satisfaction of customers in relation to price (p) , the mean score of item number 4 was 3.76 with a SD 1.21 which implies that this mean score was the highest from the total of 6 price items. The mean score of item number 2 (M=3.66, SD=1.18) and item number 1 (M= 3.64, SD= 1.11) were the second and third highest mean scores respectively. On the other hand item number 6 (M=3.24, SD=1.17) was the

least mean scores. But the over all mean score was 3.53 with SD of 0.85 which imply that the level of satisfaction in relation to price was high.

- Regarding correlation among the independent variables , the correlation between customer centricity and attractive and innovative was moderate , $r=0.457, p<0.01$. Moreover, there was a moderate correlation between CC and P of the new product , $r=0.494, p <0.01$. The correlation between AI and P of the new product was strong, $r=0.642, p<0.01$
- Regarding mean difference between groups of background variables on customer centricity, for age, post-hoc group comparison using Tukey HSD shows that participants whose age were 54 and more ($M=55.75$ $SD=5.17$) had lower mean score than participants in the age range of 18-24($M=41.93, SD=5.17$) , 25-34 ($M= 41.77, SD=7.07$) and 35-44 ($M=42.29, SD=4.81$). Regarding year of relationship with the bank, post-hoc group comparison using Tukey HSD shows that participants having year of relationship with the bank 6-10 ($M= 42.83, SD=4.91$) had significantly higher mean score than participants having of 11-15 ($M=39.45, SD= 6.61$) . For educational level, post-hoc group comparison using Tukey HSD shows that participants having educational level of certificate ($M= 42.43, SD=5.45$) had significantly higher mean score than participants having educational level of masters ($M= 37.68, SD=7.61$) , Diploma ($M=42.44 , SD=5.58$) had significantly higher mean score than participants having educational level of masters.
- Regarding mean difference between groups of background variables on AI ,concerning age, post-hoc group comparison using Tukey HSD show that participants in the age group of 18-24 ($M= 25.51, SD=4.60$) had significantly higher mean score than participants in the age group of 25-34 ($M=22.86, SD=4.98$). Concerning to educational level, post-hoc group comparison using Tukey HSD shows that participants having educational level of masters ($M=20.62, SD=3.13$) had significantly lower mean score than participants having educational level of certificate ($M=26.32, SD=3.31$) first degree($M=23.77, SD=4.81$) and diploma($M=26.38, SD=3.29$). Similarly, participants having educational level of first degree ($M=23.77, SD=4.81$) had significantly lower mean score than participants having educational level of certificate and diploma.
- Regarding mean difference between groups of background variables on price, for age post-hoc group comparison using Tukey HSD show that participants in the age range of 45-54 ($M= 23.37 ,SD=4.17$) had significantly higher mean score than participants in the age group of 35-44 ($M=21.92, SD= 5.25$) and 25-34($M=19.44, SD=5.32$), concerning to year of relationship with the bank, post hoc group comparison using Tukey HSD shows that participants having year of relationship of 6-10 $M=22.31, SD=4.980$) had

significantly higher mean score than participants having year of relationship of 11-15 ($M= 19.69, SD= 6.56$). Concerning to educational level participants having educational level of Masters ($M=17.56,SD=6.52$) had significantly lower mean score than participants having educational level of certificate ($M= 22.18, SD=5.3$).

5.2 CONCLUSIONS

- The research explored the level of customer satisfaction towards new product innovation in relation to customer centricity ,attractive and innovativeness and price of new product of Awash Bank. As it was revealed in the research findings, level of satisfaction of respondents in relation to customer centricity , attractive and innovative and price of the new product was high.
- As the research findings depicted, there was a moderate relationship between customer centricity of the new product and attractive and innovativeness of the new product. I.e, as customer centricity of the new product increases, attractive and innovativeness also increases and vice versa. Moreover, there was also a moderate correlation between customer centricity and price of the new product . This is to mean that as customer centricity nature of the product increases price of the new product will also increase and vice versa. Regarding to the correlation between price of the new product and attractive and innovativeness of the new product there was a strong correlation.
- Mean difference between groups of background variables was also explored. According to the research findings, customer centricity for age, participants whose age were 54 and more had lower mean score than participants in the age range of 18-24. This implied that younger respondents were satisfied. Regarding year of relationship with the bank participants having year of relationship with the bank for 6-10 had significantly higher mean score than 11-15 years of relationship and in relation to educational level, participants having educational level of certificate and diploma had satisfied than masters and degree.
- Regarding attractive and innovativeness , concerning to age, participants in the age range of 18-24 had significantly higher mean score than participants in the age group 25-34. i.e, younger respondents are more satisfied . In relation to educational level respondents having masters are less satisfied than with certificate, first degree and diploma.
- Regarding mean difference between groups of background variables on price , for age, participants in the age group of 45-54 had significantly higher mean score than participants in the age group of 35-44 and 25-34 which means senior citizens are more

satisfied. Concerning to year of relationship, participants having year of relationship of 6-10 had significantly higher mean score than participants having year of relationship of 11-15. Therefore, this result depicted that those customers with shorter year of banking relationship are more satisfied with price of the new product. In relation to educational level, the research findings show that participants having educational level of masters had significantly lower mean score than participants having educational level of certificate and diploma . Hence, it is possible to say that the more qualified respondents of the study were less satisfied than others.

5.3 RECOMMENDATIONS

The basic objective of the study was to make relevant recommendations on customer satisfaction towards new product innovation of Awash Bank. Therefore considering the findings of the study , the following recommendations are made.

Currently, the banking industry competition in Ethiopia is getting stiffer. Therefore, to control easily switching behavior of customers to competitors bank, it is imperative for banks to design their coping mechanisms for better retention of their customers and attraction of new potential customers. Therefore, based on this fact and findings of the study ,the following recommendations are proposed in order to increase customer satisfaction at Awash Bank towards new product development/innovation.

- The bank should maintain the higher mean scores to retain the existing customers and to work on lower mean scores so as to meet customer satisfaction towards new product innovation.
- The bank should allocate sufficient resource to the creation of new ideas (procreation) and the nurture of business and truly care for the new ideas
- The bank should work on pricing innovation as a tool for competitive differentiation and increased profitability.
- The bank should actively work on young customers to speed up its new product market share.
- The bank should give due attention in addressing of its senior and educated customers towards new product innovation in order to satisfy and retain them.
- The bank should work on satisfying of its senior aged customers by availing them tailored made products.
- The bank should continuously work on product innovation to maximize customers satisfaction.

- The bank should work on satisfying of its customers having longtime relationship with the bank by addressing and meeting their banking need.
- Finally, in relation to new product innovation, the bank should work hard and evaluate its performance so as to understand customers' need and to get continuous and competitive advantage in the banking industry.

5.4 Limitations and future research possibilities.

Future studies should examine new product innovation and customer satisfaction. The findings cannot be considered to provide definitive evidence of new product development and customer satisfaction. Larger and more diverse samples are needed in future studies. Since the current research was conducted in Awash Bank A.A branches, it is difficult to generalize for all branches of Awash Bank and other banks operating in Ethiopia. Hence, future research can make insights of the current study in to overall financial service providers in Ethiopia.

APPENDIX A

(Questionnaire)

Addis Ababa
University
(Since 1950)



Addis Ababa University School of Commerce, Masters of Marketing Management.

Dear Sir/Madam,

I would appreciate your taking the time to complete the survey questions which is expected to take 3 to 5 minutes. The importance of your genuine input on this survey questions is very valuable.

The basic objective of this questionnaire is to gather data regarding new product development and customer satisfaction in Banking Industry the case of Awash Bank S.C.

The information collected will be used only for academic purpose as a requirement for partial fulfillment of Masters of Art in Marketing Managements Addis Ababa University School of Commerce Postgraduate program.

Your responses are voluntary and will be confidential. Responses will not be identified by individual. All responses will be compiled together and analyzed as a group.

Hence, I kindly requested you to genuinely reply to all the questions below. Please use (√) mark to respond to the questions.

Thank you for your participation!!

Tilahun Dejene

This Questionnaire has two parts. Part 1 contains personal profile or demographic characteristics of respondents and part 2 contains questions regarding new product development and customer satisfaction of Awash Bank.

Part one: Personal Profile

1.1 Sex:

Male Female

1.2 Age:

18-24 25-34 35-44 45-54 Above 54

1.3 Marital Status:

Married Single Divorced

1.4 Years of relationship with the bank: 1-5 years

6-10years 11-15years Above 15 years

:

1.5 Educational Level

Certificate Diploma Degree MA

Part 2: Questions related to new product development and customer satisfaction.

Questionnaires

Customer Centricity

NO	Description	Strongly Agree 5	Agree 4	Neutral 3	Disagree 2	Strongly Disagree 1
1	New Products of Awash bank are targeted on deep knowledge of your need.					
2	New Products of Awash bank are simple to use.					
3	Awash bank is successful in its new products in satisfying of customer needs.					
4	New products of Awash bank have created a unique experience to customers.					
5	New products of the bank are assisting the bank to retain its customers					
6	New products of Awash bank have added value to you.					
7	New products of Awash bank have the power to attract new customers.					
8	Customer centric new products can make you loyal to Awash bank.					

9	New products of Awash bank have assisted you to save time.					
10	New Products of your bank are aligned with your bank account security.					
Attractive and innovative						
11	The new products are a minor improvement over what you currently use					
12	New products of Awash bank are attractive enough and I am satisfied with them .					
13	New products of Awash bank are innovative & have unique features.					
14	The technology on new products has de-motivated me not to use the products.					
15	New products of Awash bank are not reliable in terms of customer satisfaction					
16	The new products of Awash bank are friendly in making of universal payments .					
17	The new products are attractive to send and receive money without limitation.					
Price of the new product						
18	Prices charged on new products of Awash bank are to your expectations					

19	Prices of new products of Awash bank are customer focused.					
20	You will be loyal whatever Awash bank charges you on new products.					
21	The Current price of Awash bank on new products are appropriate.					
22	The current price of new products of Awash bank are more expensive than other banks.					
23	Prices for new products are clearly stated to minimize customer dis satisfaction.					

Thank You!

ት ተሳታፊ/መላሽ በግምት ከ3-5 ደቂቃ የሚወስደውን መጠይቅ ለመመለስ ፈቃደኛ በመሆንዎ ለማመስገን እወዳለሁ። ትክክለኛ የሆነው ምላሽዎ ዋጋው እጅግ ላቅ ያለ ነው። የዚህ መጠይቅ ዋና አላማ የአዳዲስ አገልግሎቶች ፈጠራ እና የደንበኛ እርካታ በአዋሽ ባንክ ምን እንደሚመስል መረጃ ለመሰብሰብ ነው። የሚሰበሰበው መረጃ አገልግሎትም በአዲስ አበባ ዩኒቨርሲቲ ንግድ ሥራ ኮሌጅ በገበያ አስተዳደር የድህረ ምረቃ የማሟያ መስፈርት በመሆኑ ነው። የሚሰጡት ምላሽ በፈቃደኝነት የተመሠረተ እና እጅግ ሚስጥራዊም ነው።

እያንዳንዱ ሰው ምላሽ በነጠላ ሳይሆን በጥቅል በመሆን የጥናቱን ውጤት ለመጠቀም በሚያስችል መልኩ የመጠይቅ መረጃው አገልግሎት ላይ እንዲውል ይደረጋል።

ስለዚህ ከዚህ በታች የተዘረዘሩትን ጥያቄዎች ጊዜ ወስደው በጥንቃቄ እንዲሞሉልኝ እጽግኩ- ታለሁ። ስለተሳትፎዎ በጣም አመሰግናለሁ።

ጥላሁን ደጀኔ

ይህ መጠይቅ ሁለት ክፍሎች አሉት ክፍል አንድ የመላሽዎችንን የግል ሁኔታ ማሳደግ ሲሆን ክፍል ሁለት ደግሞ የአዋሽ ባንክ አዳዲስ አገልግሎቶችን እና ደንበኛ አገልግሎት እርካታ ላይ መሠረት ያደረገ ጥያቄዎች የሚቀርቡበት ይሆናል።

የግል ሁኔታ:-

- 1.1. ታ
ወንድ ሴት

- 1.2. ክትማይ
18-24 25-34 35-44 45-54 ከ54 በላይ

- 1.3. የጋብቻ ሁኔታ
ጸብ ጸላብ ታ

- 1.4. ከባንኩ ጋር በደንበኝነት የቆዩበት ጊዜ
1-5 6-10 11-15 ከ15 ዓመት በላይ

- 1.5. የትምህርት ሁኔታ
ሰርተፍኬት ዲግሎማ ቲ ታ ትህረ ምረቃ

ደንበኛ ተኮር ስለመሆን

ተ.ቁ.	መግለጫ	በግምት እስማማለሁ	እስማማለሁ	አስተያየት የለኝም	እቃማለሁ	በግምት እቃማለሁ
1	የአዋሽ ባንክ አዳዲስ አገልግሎቶች የደንበኛ ፍላጎትን መሠረት ባደረገ የተዘጋጁ ናቸው	5	4	3	2	1
2	የአዋሽ ባንክ አዳዲስ አገልግሎቶች ለመጠቀም ቀላል ናቸው	5	4	3	2	1
3	አዋሽ ባንክ በአዳዲስ አገልግሎቶች የደንበኛን ፍላጎት በማርካት ረገድ ስኬታማ ነው	5	4	3	2	1
4	የአዋሽ ባንክ አዳዲስ አገልግሎቶች ለእርሱ ተፈጻሚ እና አዳዲስ አገልግሎት ፍጥሮሎታል	5	4	3	2	1
5	የባንኩ አዳዲስ አገልግሎቶች ባንኩ ደንበኞችን ይዞ ለማቆየት እረድቶታል	5	4	3	2	1
6	የአዋሽ ባንክ ባመጣቸው አዳዲስ አገልግሎቶች እርሱ ጸብኝ ተፈጻሚ ዓቅም አለ ማለት ይቻላል	5	4	3	2	1
7	የአዋሽ ባንክ አዳዲስ አገልግሎቶች አዳዲስ ደንበኞችን የመሳብ አቅም/ኃጽል አላቸው	5	4	3	2	1
8	ደንበኛ ተኮር የሆኑ አዳዲስ አገልግሎቶች እርስዎ የባንኩ ታማኝ ደንበኛ ሆነው እንዲቀጥሉ ጸርግሎታል	5	4	3	2	1
9	የአዋሽ ባንክ አዳዲስ አገልግሎቶች ጊዜዎን መቆጠብ እንዲችሉ እረድቶታል	5	4	3	2	1
10	የአዋሽ ባንክ አዳዲስ አገልግሎቶች በባንኩ ውስጥ ያለዎትን ሒሳብ ደህንነት (ሴኩሪቲ) ታሳቢ ባገለግሉ ጠቅላይ ናቸው	5	4	3	2	1
ተጨማሪ (ተመራጭ) እና ዘመናዊ ስለመሆን						
11	የአዋሽ ባንክ አዳዲስ አገልግሎቶች አሁን እየተጠቀምኩ ካለሁት ጥቂት ማሻሻያ የተደረገባቸው ናቸው	5	4	3	2	1
12	የአዋሽ ባንክ አዳዲስ አገልግሎቶች በጣም ተፈላጊ ናቸው ፤ በአገልግሎቱም ደስተኛ ነኝ	5	4	3	2	1
13	የአዋሽ ባንክ አዳዲስ አገልግሎቶች ዘመናዊ እና ልዩ የሆነ መገለጫ አላቸው	5	4	3	2	1

ተ.ቁ.	መግለጫ	በግምት የሚደረግ	እስማማላሁ	አስተያየት የለኝም	እቃማለሁ	በግምት የማይደረግ
14	አዋሽ ባንክ አዳዲስ አገልግሎቶች ላይ የተጠቀመው ቴክኖሎጂ ውስብስብነት የባንኩን አዳዲስ አገልግሎቶች እንዳልቀም አድርጎልኛል	5	4	3	2	1
15	የአዋሽ ባንክ አዳዲስ አገልግሎቶች የደንበኛን ፍላጎት በማርካት ረገድ እምነት ማረጋገጥ አይደለም	5	4	3	2	1
16	የአዋሽ ባንክ አዳዲስ አገልግሎቶች አለም አቀፍ ክፍያዎችን ለመፈጸም ምቹ ናቸው	5	4	3	2	1
17	የአዋሽ ባንክ አዳዲስ አገልግሎቶች ገንዘብን ያለምንም ገደብ ለመላክ እና ለመቀበል በማስቻል ረገድ ተፈላጊ/ተመራጭ ናቸው።	5	4	3	2	1
የአዳዲስ አገልግሎቶች ዋጋ /ተመን በተመለከተ						
18	የአዋሽ ባንክ አዳዲስ አገልግሎቶች ዋጋ/ተመን እርስዎ ይሆናል ብለው ካሰቡት ጋር ተዛማጅ ናቸው።	5	4	3	2	1
19	የአዋሽ ባንክ አዳዲስ አገልግሎቶች ተመን ደንበኛ ተኮር ናቸው ወይም የደንበኛን ሁኔታ ማሟላት ስሜት ለማሳደግ ይቻላል።	5	4	3	2	1
20	አዋሽ ባንክ አዳዲስ አገልግሎቶች ላይ ማንኛውንም አይነት ዋጋ/ተመን ቢያወጣ ከባንኩ ጋር በመስራት እቀዳለሁ	5	4	3	2	1
21	አዋሽ ባንክ አዳዲስ አገልግሎቶች ላይ የሚሰበሰበው የአገልግሎት ዋጋ ተገቢ ነው።	5	4	3	2	1
22	በአሁኑ ሰዓት አዋሽ ባንክ ለአዳዲስ አገልግሎቶች የሚጠይቀው ዋጋ ከሌሎች ባንኮች አንጻር ውድ የሚባል ነው።	5	4	3	2	1
23	የአዋሽ ባንክ አዳዲስ አገልግሎቶች ማረጋገጫው ዋጋ የደንበኛን ቅሬታ ለመቀነስ ሲባል በግልጽ ተቀምጧል/ጽታታሉ ማለት ይቻላል።	5	4	3	2	1

APPENDIX B

(Reliability)

RELIABILITY

/VARIABLES=CC1 CC2 CC3 CC4 CC5 CC6 CC7 CC8 CC9 CC10

/SCALE('ALL VARIABLES') ALL

/MODEL=ALPHA.

Reliability

Notes

Output Created		21-MAY-2018 21:40:04
Comments		
	Data	C:\Users\DELL\Documents\S pss Tilahun\Row Data- Tilahun 2.sav
	Active Dataset	DataSet1
Input	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	380
	Matrix Input	
	Definition of Missing	User-defined missing values are treated as missing.
Missing Value Handling	Cases Used	Statistics are based on all cases with valid data for all variables in the procedure.
Syntax		RELIABILITY /VARIABLES=CC1 CC2 CC3 CC4 CC5 CC6 CC7 CC8 CC9 CC10 /SCALE('ALL VARIABLES') ALL /MODEL=ALPHA.
Resources	Processor Time	00:00:00.00
	Elapsed Time	00:00:00.02

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	380	100.0
	Excluded ^a	0	.0
	Total	380	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.859	10

RELIABILITY

/VARIABLES=A11 A12 A13 A14 A15 A16 A17

/SCALE('ALL VARIABLES') ALL

/MODEL=ALPHA.

Reliability

Notes

Output Created		21-MAY-2018 21:40:23
Comments		
	Data	C:\Users\DELL\Documents\S pss Tilahun\Row Data- Tilahun 2.sav
	Active Dataset	DataSet1
Input	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	380
	Matrix Input	
	Definition of Missing	User-defined missing values are treated as missing.
Missing Value Handling	Cases Used	Statistics are based on all cases with valid data for all variables in the procedure.
Syntax		RELIABILITY /VARIABLES=A11 A12 A13 A14 A15 A16 A17 /SCALE('ALL VARIABLES') ALL /MODEL=ALPHA.
Resources	Processor Time	00:00:00.00
	Elapsed Time	00:00:00.02

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	380	100.0
	Excluded ^a	0	.0
	Total	380	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.653	7

RELIABILITY

/VARIABLES=P1 P2 P3 P4 P5 P6

/SCALE('ALL VARIABLES') ALL

/MODEL=ALPHA.

Reliability

Notes

Output Created		21-MAY-2018 21:40:40
Comments		
	Data	C:\Users\DELL\Documents\S pss Tilahun\Row Data- Tilahun 2.sav
	Active Dataset	DataSet1
Input	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	380
	Matrix Input	
	Definition of Missing	User-defined missing values are treated as missing.
Missing Value Handling	Cases Used	Statistics are based on all cases with valid data for all variables in the procedure.
Syntax		RELIABILITY /VARIABLES=P1 P2 P3 P4 P5 P6 /SCALE('ALL VARIABLES') ALL /MODEL=ALPHA.
Resources	Processor Time	00:00:00.02
	Elapsed Time	00:00:00.02

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	380	100.0
	Excluded ^a	0	.0
	Total	380	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.812	6

APPENDIX C

(Normality)

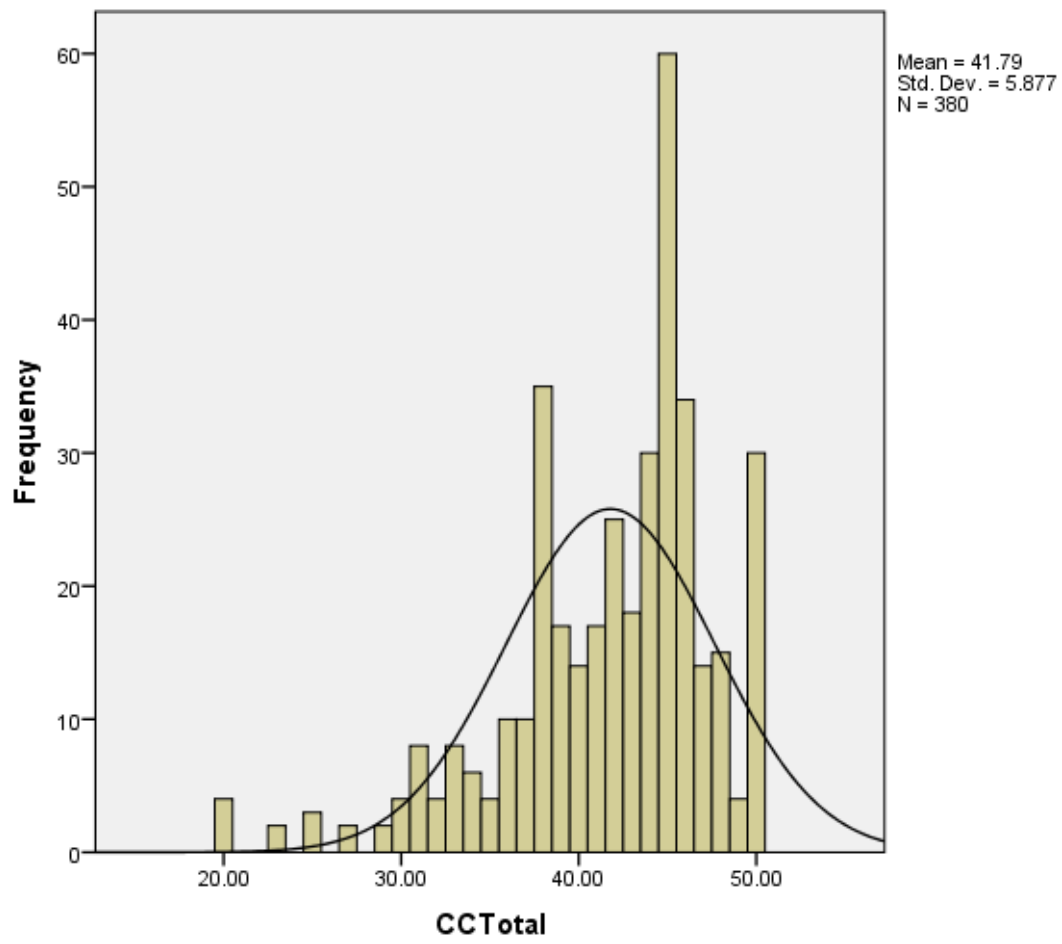
GRAPH

/HISTOGRAM(NORMAL)=CCTotal.

Graph

Notes

Output Created	21-MAY-2018 21:30:22
Comments	
Data	C:\Users\DELL\Documents\S pss Tilahun\Row Data- Tilahun 2.sav
Active Dataset	DataSet1
Input	
Filter	<none>
Weight	<none>
Split File	<none>
N of Rows in Working Data File	380
Syntax	GRAPH /HISTOGRAM(NORMAL)=C CTotal.
Resources	
Processor Time	00:00:00.48
Elapsed Time	00:00:00.60



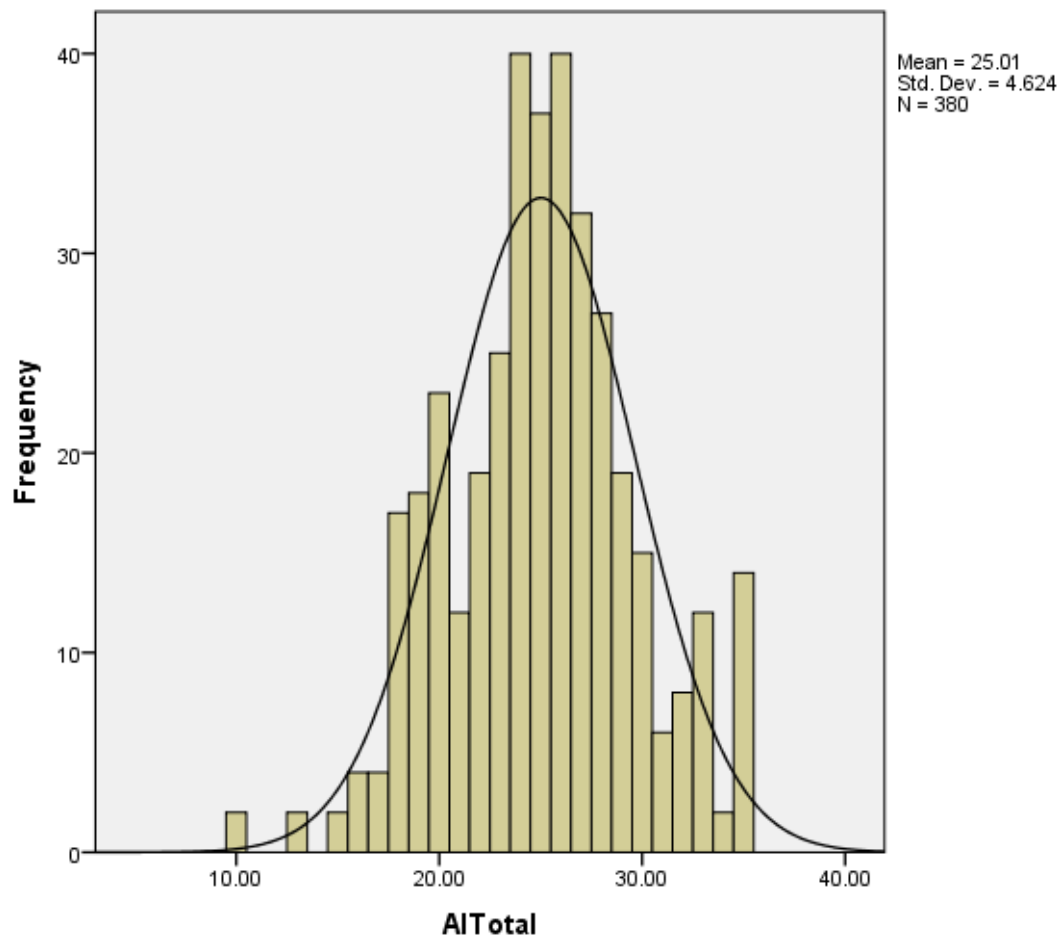
GRAPH

/HISTOGRAM(NORMAL)=AITotal.

Graph

Notes

Output Created	21-MAY-2018 21:30:40
Comments	
Data	C:\Users\DELL\Documents\S pss Tilahun\Row Data- Tilahun 2.sav
Active Dataset	DataSet1
Input	
Filter	<none>
Weight	<none>
Split File	<none>
N of Rows in Working Data File	380
Syntax	GRAPH /HISTOGRAM(NORMAL)=AI Total.
Resources	
Processor Time	00:00:00.28
Elapsed Time	00:00:00.16



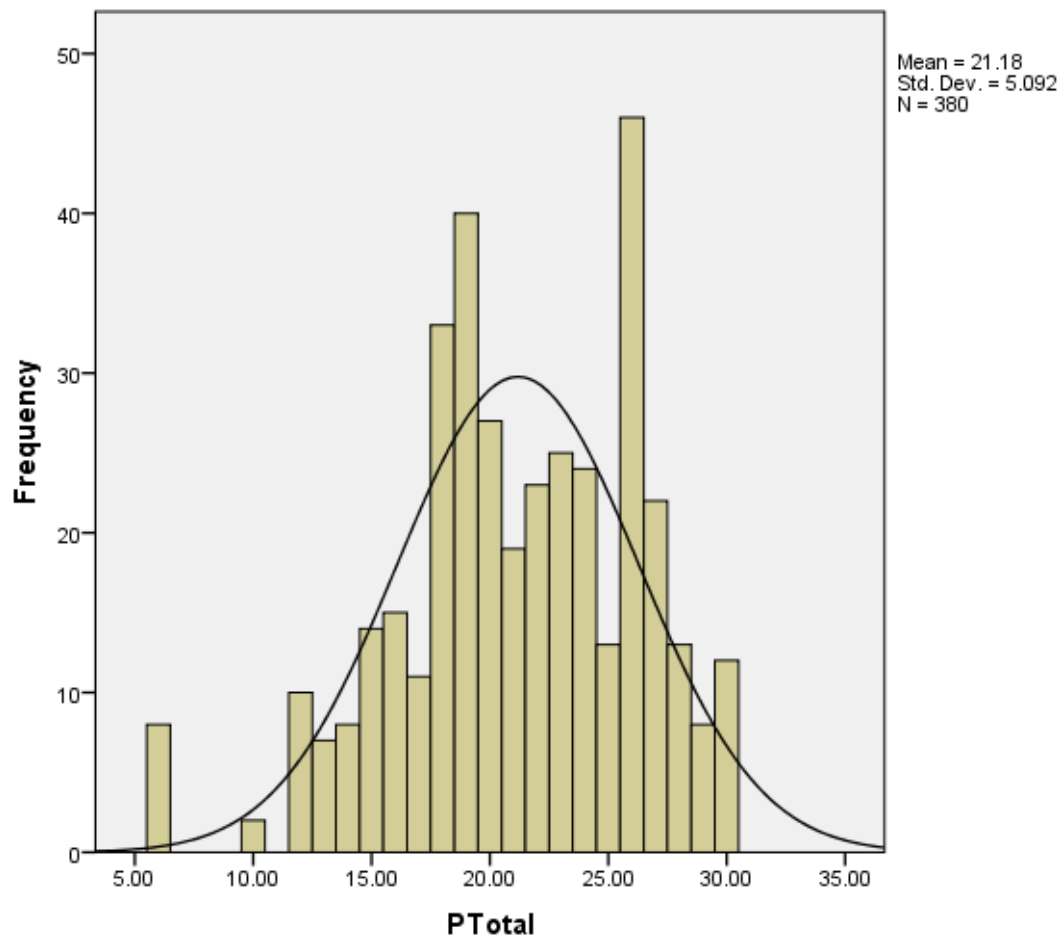
GRAPH

/HISTOGRAM(NORMAL)=PTotal.

Graph

Notes

Output Created	21-MAY-2018 21:30:56
Comments	
Data	C:\Users\DELL\Documents\S pss Tilahun\Row Data- Tilahun 2.sav
Active Dataset	DataSet1
Input	
Filter	<none>
Weight	<none>
Split File	<none>
N of Rows in Working Data File	380
Syntax	GRAPH /HISTOGRAM(NORMAL)=P Total.
Resources	
Processor Time	00:00:00.27
Elapsed Time	00:00:00.14



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