ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF MBA

FINAL THESIS

THE EFFECT OF MARKETING PROGRAM ON CUSTOMER SATISFACTION

(CASE STUDY ON STAR SOAP AND DETERGENT INDUSTRIES (SSADI) PLC)

PREPARED BY: ZAHARA AHMED

Advisor: Dr. Mohammed Seid **Submission Date: October, 2020**

ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF MBA

POST GRADUATE PROGRAM

THE EFFECT OF MARKETING MIX STRATEGY ON CUSTOMER SATISFACTION: IN THE CASE OF STAR SOAP AND DETERGENTS INDUSTRIES PLC

APPROVED BY THE BOARD OF EXAMINERS

______________________________ ______________________________

Advisor **Signature**

______________________________ ______________________________

Internal Advisor **Signature**

______________________________ ______________________________

External Advisor **Signature**

Statement of Certification

This is to certify that Zahra Ahmed carried out her research work entitled "**The effect of Marketing Mix Strategy on Customer Satisfaction in case of Star Soap and Detergent Industries (SSADI) PLC**" in partial fulfillment of the requirement for the award of master's degree in MBA to Addis Ababa University, College of Business and Economics. This paper is my original work and has not been submitted to any college or university.

____

Advisor: Dr. Mohammed Seid

October, 2020

DECLARATION

I, hereby declare that this paper entitled "The effect of marketing mix strategy on customer satisfaction in case of SSADI PLC" is my original work and all source of materials used for the study have been duly acknowledged. I also approve that the thesis has not been submitted in any university for fulfillment of any Degree. This paper is submitted in partial fulfillment of the requirement for the award of master's degree in MBA.

Name: Zahra Ahmed

Signature ------------

Date -------------

ACKNOWLEDGMENT

First of all I would like to thank almighty Allah (SWT), Alhamdulillah. Second, I would like to extend my deepest graduated to my advisor Dr. Mohammed Seid without whom none of this would be accomplished. I would also like to thank my mother Rukia Ali and father Ahmed Busseirie for their support and encouragement to help me finish this research. Last but not least, my loving husband, Khelifa Abdurahman for being by my side in every step of the way.

List of Abbreviations

4Ps: Marketing Mix Strategies

SSADI: Star Soap and Detergent Industries

SPSS: Statistical package for social sciences

Abstract

The purpose of this study is to examine the relationship between marketing mix strategy and customer satisfaction in case of SSADI. The specific objective of this study was to analyze how the product strategy of SSADI PLC satisfy the customers, to determine how the price strategy of SSADI PLC satisfy the customers, to investigate how the promotion strategy of SSADI PLC satisfy customers and to examine how the distribution strategy of SSADI PLC satisfy customers. In order to achieve the objectives of the study, descriptive survey was used. In addition quantitative research approach was implemented. To answer the research questions, close ended questionnaires were administered to target respondents. Data was collected through questionnaire from a sample of 384 customers which were selected using convenience sampling method. The data collected from the questionnaire was analyzed using SPSS version 24 statistical tools. The correlation result indicated that there is a positive and significant relationship between marketing mix strategies and customer satisfaction. In addition multiple regression analysis result revealed that all the marketing mix strategies had positive and significant effect on customer satisfaction; out of which price had the highest significant effect on customer satisfaction. From the analysis the researcher recommends that SSADI should give priority to improve its promotional practices to satisfy its customer. Furthermore, implementation of the marketing mix strategies appropriately and continuously will help SSADI for gaining competitive advantage which in turn leads to customer satisfaction.

KEY TERMS: Marketing mix strategy, Product, Price, Promotion, Place/Distribution, and Customer Satisfaction.

Table of Contents

List of figures

List of Tables

Chapter one

1. Introduction

1.1 Background of the study

Today's companies are going up against hardest competition than ever. Companies can win the competition by doing a much better, stronger and an improved work in order to satisfy the customers' needs and wants, and customer-centered companies are capable not only at building customers but also a product (Johansson J, 2000:12).

Customer satisfaction is a personal feeling of delight or dissatisfaction coming approximately from comparing a product's perceived performance (result) in connection to his/her desire (Kotler P and Armstrong G, 2010:7). It can be clear from the over definition customers' satisfaction could be an expansion of perceived performance and desires. In case the performance falls small of desires, the customer is disappointed. On the off chance that the execution matches the desires, the customer is fulfilled, and in the event that the performance outperforms desires, the customer is profoundly fulfilled or delighted.

It has been dynamically clear that a successful marketer must start with the customer. Recognizing customer needs and wants, knowing how customers make buying choices, how they utilize the products and services they purchase, and their level of commitment to current brands are fundamental components for marketing opportunities (Anderson and Vince, 2004:85). Marketing managers must think around the techniques of winning, holding, fulfilling customers from distinctive ways which is able to lead to organizational success. To do so, the components of 4Ps serve as the first significant instruments for gathering the company's objective at the side fulfilling customer's expectation through viable utilization of them. These variables are controllable components by marketers. In expansion, since the 4Ps can be reshaped marketing managers can utilize them to draw in and hold customers. From the organizations point of view each customer need encompasses a counter portion within the marketing mix components. Accordingly, customer satisfaction leads to organizational success.

1.2 Background of the Organization

Star Soap Detergent Industries(SSADI) PLC is one of the sister company of MIDROC Ethiopia group manufacturing plants and was established in 2002 in a 21 hectare land area located at Akaki-Kality Sub City in Kebele 10/11,South of Addis Ababa. The Company commissioned its plant with an initial capital of 80 million Ethiopian Birr.

Star Soap is a brand that represents household, industrial and institutional cleansing product in Ethiopia. The company produces toilet bar soap, detergent powder and liquid detergent. It also serves by delivering products from the factory to many regions and the capital of Ethiopia.

Star Soap Detergent Industries (SSaDI) PLC was preferred for this study because; soaps and detergents are vital necessities as consumer goods and are used by the large population base. The rising penetration for the need of washing machines in the developing countries is projected to drive the market growth of this industry. Hence, this is leading for a high demand for detergent products specifically liquid and powder detergents. In addition, companies like Unilever are launching product innovation and product launch strategies to boost the market growth which has become as one of the factor to outrage Star Soap detergent industries. Thus, this research investigates the effective strategies to be used by the company and boost its market share and level of customer satisfaction. Moreover, there are little/no researches made on the effect of marketing mix strategy on consumer satisfaction on the detergent industry.

Although Star Soap Detergent Industries existed in the market for a decade, the company has been outraged by competitors and has failed to recall existing customers and attract new customers in the market for a long while. For this reason this research assesses the marketing mix strategy of the company to satisfy customers.

1.3 Statement of the problem

Marketing program has the basic objective of expanding sales and accomplishing a maintainable competitive advantage. (Michael B, 2008). Marketing program portrays how the firm fulfills the needs and wants of its customers (Homburg, Sabine and Harley, 2009). Customer satisfaction is one of the basic components for the victory of a company. Companies must know when and how their customers are satisfied around the products and services in order to attain high customer satisfaction (Ahmed S and Rahman M, 2015)

The current environment of increased competition with rapid market entry of new detergent industries, the customer satisfaction also presents a challenge of a more in-depth understanding of the complex relationship between the product/services of the company and customer satisfaction. Although the range and variety of products available to customers have expanded, companies' relationship with the customer continues to be problematic. In part this may reflect failures on part of the company. In addition, the researcher argues that such problems may also arise as a consequence of the unwillingness of some customers to buy the products.

The increasing rate of change in the economic, political and social environments of firms has led to growing competitiveness, uncertainties and risks (Turnbull and Jean-Paul, 1986).In addition, the level and direction of customers' satisfaction may be determined by the extent the organization effectively utilize the 4Ps to satisfy its customer. Thus this research attempts to close a gap by investigating which marketing program has the most influence on the customer's satisfaction.

A study by Ebitu (2016) exposed that, in the southern part of Nigeria, marketing problems such as lack of adequate marketing research, unawareness of competition, poor branding and packaging, low level of knowledge on business market analysis, poor promotion, poor segmentation strategy, poor pricing technique and unplanned distribution contribute negatively in affecting customer satisfaction.

Various researchers in the marketing field Deshpande et al. (2003) and Akroush (2011) argue that one of the challenges facing the academic marketing research is that the generalizability of the marketing models, theories, and concepts, which have been developed in the U.S and Western environments.

The relationship between marketing mix practices and customer satisfaction in the case of detergent industries in Ethiopia is under-researched. The meager amount of empirical evidence that exists about the marketing program and customer satisfaction relationship mostly focus on the marketing program of other business sector. For instance, Weldekiros (2019) study has revealed that marketing mix tools have made the effect on the customer satisfaction of Wegagen Bank. However, the effect each of the variables has on customer satisfaction varies. Variables such as promotion, place and physical evidence are stronger predictors. However, the finding of the study is tested in the context of banking industry. Therefore, it is difficult to generalize the finding of this study in the context of detergent industry.

In general, even if in different parts of the world various research studies have been conducted on the subject matter; it is difficult to generalize the finding of the study in the detergent industry context without empirical testing. Besides, in the knowledge of the researcher, virtually there is no research undertaken on the effect of marketing program on customer satisfaction in case of detergent industries.

Therefore, this study was aimed to assess the effect of marketing program on customer satisfaction in case of SSADI PLC.

1.4 Research Questions

1) How does the product strategy of SSADI PLC satisfy customers?
2) How does the price strategy of SSADI PLC satisfy customers?
3) How does the promotion strategy of SSADI PLC satisfy customers?
4) How does the distribution strategy of SSADI PLC satisfy customers?

1.5) Research objectives

1.5.1) General objective

The general objective of the study was to investigate the effect of marketing program on customer satisfaction.

1.5.2. Specific objective

1) To analyze how the product strategy of SSADI PLC satisfy the customers.

2) To determine how the price strategy of SSADI PLC satisfy the customers.
3) To investigate how the promotion strategy of SSADI PLC satisfy customers.
4) To examine how the distribution strategy of SSADI PLC satisfy customers.

1.6 Significance of the Study

Various researches have been conducted on the issues of marketing program and its effect on customer satisfaction and different empirical results were witnessed on the relationship between marketing program and customer satisfaction.

In general, this study contribute to helping enhance managerial decision-making by selecting and implementing the most effective marketing program for the improvement of customer satisfaction in SSADI. The organization can use this study as a base and conduct other researches to formulate strategies. It also helps in the contribution of the academic discussion by offering significant empirical evidence in detergent products.

1.7 Research Hypothesis

Hypothesis 1: Product strategy has a significant and positive influence on customer satisfaction.
Hypothesis 2: Pricing strategy has a significant and positive impact on customer satisfaction.
Hypothesis 3: Promotion strategy has a significant and positive influence on customer satisfaction.
Hypothesis 4: Place/distribution strategy has a significant and positive influence on profitability customer satisfaction.

1.8 Scope of the study

1.8.1 Geographic Scope

The scope of this research was limited on the marketing program of SSADI PLC which is located Akaki-Kality sub City, south of Addis Ababa.

1.8.2 Content /Subjective Scope

The subjective scope of this study was delimited towards product strategy, pricing strategy, promotion strategy and place/distribution strategy of the company and their effect on customer satisfaction for the sake of time and research manageability.

1.8.3 Methodological Scope

Methodologically this research would focus on descriptive research design and the study employs quantitative research approach.

1.8.4 Target Scope

In this study target population encompasses the customers of SSADI PLC who live in Addis Ababa.

1.9 Limitation of the study

The following points states the limitations the researcher had faced while conducting the study:

- Lack of mindfulness and enthusiasm among the customers with respect to filling out the questionnaires or giving the desired data with care and returning them on time.
- Biased responses from the respondents of the questionnaire to be given.
- Furthermore this study did not explore each conceivable extraneous impact that may influence or impact a customer satisfaction based on marketing program.

2.0 Definition of Terminologies

Marketing: According to Kotler (2002) marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational goals.

Marketing Mix: According to Singh (2012), the marketing mix is the combination of different marketing decision variables being used by the firm to market its goods and services. After identifying the market and gathering the necessary information about it, the next step is the direction of market programming, which is to decide upon the instruments and the strategies to meet the needs of the customers and the challenge of the competitors. It offers an optimum combination of all marketing ingredients so that companies can realize goals, for example, profit, sales volume, market share, return on investment, etc. The is grouped into four elements, i.e., Product, Price, Place and Promotion

Product: According to Kotler et al. (2005), is anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need. It includes physical objects, services, persons, places, organizations and ideas

Price: According to Kotler et al. (2008), Price is the sum of money charged for an item or service or the total values that consumers exchange for the benefits of having or utilizing the product or service.

Promotion: is sending a capable message around a specific product to customers. It is creative procedure depends on how the message is being passed on (Ateba et al, 2015).

Place*:* Hirankitti et al. (2009) portrayed the place as the effortlessness to get to potential customer which coordinate to a product/service such as area and distribution.

Customer satisfaction: is characterized as a feeling or judgment
by clients towards items or services after they have utilized them (Jamal and Naser, 2003).

1.8) Organization of the study

The paper consists of five chapters; chapter one includes the background of the study, background of the organization, statement of the problem, research questions, objectives of the study, significance of the study, the scope of the study, and definition of terminologies. Chapter two covers the review of related literature, which consists of theoretical review, empirical review, and conceptual framework. Chapter three entails the methods to be used, focuses on the overview of research design and approach, and methods used for the descriptive study on quantitative approaches. In the fourth chapter, the finding of the study and the analyzed data was interpreted, discussed, and presented. Finally, in the fifth chapter summary, conclusions, and recommendations were presented based on the findings.

Chapter Two

2 Literature Review

2.1 Introduction

The beginning point for the discipline of marketing lies in human needs and wants. All human creatures have a need to fulfill human needs are states of felt hardship. In this manner, human creatures attempt to fulfill these needs by trading goods and services with other interested parties. Thus, the concept of exchange leads to the concept of a market. According to Kotler P and Armstrong G, (2010), a market is defined as: “A public gathering consisting of all the potential customers sharing in exchange to satisfy that needs or wants”.

It can be said that marketing is the exchange between the customer and the marketer and each party gives something of value to the other, with the goal of satisfying their respective needs and wants, and then in the process both parties gain as much as possible.

While customers have a major influence on marketing decisions, companies are devoting more attention than ever before to customers’ wants and needs (Anderson and Vince, 2004:4). Hence, marketing efforts are more focused on attracting, retaining and developing relationship with their present and potential customers. Therefore, knowing who the customers are, why they buy and what it takes to satisfy them is vital.

Marketers have four tools to use to develop an offering to meet the needs of their targeted customers. Collectively they are called as the marketing mix (Product, Price, placement and promotion). The basic idea is first the product of the factory produced, then setting the affordable price, and then promoting that product on the basis of customer’s media habit and finally distributes the product on the targeted customers.

According to McGraw, (2004) states that the marketing mix is the tools organizations use to develop offerings to satisfy their target market(s). If your marketing mix doesn’t meet their needs, they won’t be satisfied-and if they aren’t satisfied, you are unlikely to meet your objectives .Thus, the more the marketer is effective in combining the four elements of the marketing mix, the more the customers are satisfied and stay loyal, and as a result, the more the profitable sales of the product should result. The four elements of the marketing mix are discussed as follows:

2.2. The Meaning of a Product

The first element in the marketing mix is the product of the company as it is mentioned above. A product is defined as: “a set of tangible and intangible attributes, including packaging, color, price, quality and brand plus the reputation of the seller” (London T and Hart S, 2004:168). Since one of the basic function of marketing is that developing products and services that will meet legitimate customer (consumer) needs, then, consumers are buying more than a set of tangible attributes.

2.2.1. The Product Strategy

The product strategy, the route by which to reach your long term product objectives will need to be developed specifically for each product or service. But, in general there are said to be four basic products strategies for growth in volume and profit:

- ***Market penetration***: the most frequently used strategy is to take the existing product in the existing market and try to obtain improved penetration of that market (Kotler P and Armstrong G, 2010, .pp. 29-30).
- ***Product development***: this involves a relatively major modification of the product or service, such as quality, style, performance, variety and so on (ibid, pp. 31-32).
- ***Market development***: this depends on finding new uses for the existing product or service by taking it in to entirely new markets (ibid, pp. 33-34).
- ***Diversification***: this quantum leap to a new product and market, involves more risk, and is more normally undertaken by organization which find themselves in markets which have limited, often potential (ibid , pp. 35).

2.2.2 Why Some Products Fail and Others Succeed

According to Kurtz and Boone (2007) pp. 75, states that in general, consumer products fail more often than business products.

Products fail for a variety of reasons:

- One of the most common reasons a product fails is failure to match product offerings to customer needs.
- Ineffective or inconsistent branding has also been blamed for product failures.
- New products sometimes fail because of poor timing, technical or design problems, overestimation of market size, poor promotion, or insufficient distribution.

2.2.3. Branding, Packaging and Labeling

When conceiving, developing and managing its products, a firm needs to make and enact a variety of decisions regarding the brand, package and labels used with each item.

- **Branding**

A brand is a name, term, design, symbol, or other features that identifies the goods and services of one seller from those of other sellers (Armstrong, 2009, pp. 21). Marketers should realize that the more customers equate quality with their brands, the more they will buy. Consumers simply do not purchase brands that they either do not recognize or do not trust, no matter how much promotional activity is put behind them (Ranger,2010,pp.89-91). Therefore, managers need to brand their products in the best way possible to gain brand awareness by uses in a better way than competitors.

- **Packaging**

Packaging is the activity of designing and producing the container or wrapper for a product (McDonald, 2004:90). Since in recent times, packaging has become a potential marketing tool, a company needs to design the package for the safety of the product, to make the product identifiable, and to make it more appealing so as to increase profit.

- **Labeling**

A label is a tag or sticker attached to a container or package that provides information about the seller or the manufacture (McDonald, 2004: 203-204).

Labeling performs several functions:

- It identifies the product or brand and might also grade the product.
- It also convey such information as who made it, where it was made, when it was made, what it contains, how is it to be used, and how to use it safety . But one thing what we have to know is that misleading information is illegal action. Therefore, careful labeling should be necessary for the factory.

2.3 Price

As mentioned earlier price is the second marketing mix element and probably the single most important decision in marketing is that of price. This is partly because price may have an impact on sales volumes.

According to Jean F, (2004) if the price is too high, and the market is competitive, sales may be correspondingly reduced. Indeed many economists would see price as the main determinants of sales volume. "On the other hand, many of the most sophisticated marketers have found ways to reduce the impact of price (Kurtz and Boone, 2007:87). Therefore, you need to balance the costs of producing a product with competition and the perception of your target customers to select the right product price. That is the reason why pricing takes creativity, time, research, good record keeping and flexibility.

2.3.1 Pricing Strategy

Shipley and Jobber (2001) have argued that it is essential to adopt a systematic and well organized approach to pricing. They proposed a process called the 'pricing wheel. Pricing wheel is to emphasize that pricing is a more or less continuous process in which pricing decisions must be continuously updated to take account of factors within the control of the firm, such as new product features, and factors outside of the power of the firm, such as new competitor pricing strategies.

The marketing strategist needs then to decide upon the specific pricing objectives that are to be pursued. Although the nature of these objectives and their implications for the final price charged can vary. These pricing methods are commonly used:

- Discouraging others from Entering the Market: This is done by deliberately setting a low price so that returns are low, at the same time sending out signals about a willingness to engage in a price war with any new entrants.
- Market Skimming. With a skimming objective, the marketer enters the market with a high price and only gradually lowers it as he or she seeks a higher number of market segments. In this way, profits are likely to be relatively high and, by minimizing the degree of commitment at any one time, the levels of risk are reduced.
- Market Penetration: As an alternative to the gradual entry strategy of market skimming, the firm may adopt a far more aggressive approach in which prices are set at a deliberately low level to ensure a high level of sales and to keep competitors at a distance.
- Return on Investment: Here, prices are set partly to satisfy the needs of consumers, but more importantly, to achieve a predetermined level of return on the capital investment involved.
- Market Stabilization: Here, having identified the leader in each market sector, the firm determines its prices in such a way that the likelihood of the leader retaliating is minimized. In this way, the status quo is maintained, and market stability ensured.
- Meeting or the following Competition: having entered a market in which competitors are firmly entrenched, the firm may decide quite simply to take its lead in pricing from others until it has built up sufficient experience and established a solid reputation on which it can subsequently build.

2.3.2 The Three C's of Pricing

According to Collins, H.G. Parsa H.G., (2006), three common approaches to pricing are:

- **Cost Plus Pricing**

Cost-plus pricing is a common approach to pricing in business markets. The price is determined by calculating the average cost of production and then adding on a standard profit markup. A particular danger of cost-plus pricing arises where sales fall below forecast so that profits are lower than expected, which encourages the firm (using cost-plus logic) to increase price in an attempt to capture the desired profit margin.

Cost-plus pricing is suitable in such cases where the nature and extent of competition are unpredictable, when it’s not possible to gather information for the product, or it’s expensive or when firms are unable to forecast the demand for its product. At the same time, this pricing method does have some shortcomings. This pricing method is naïve since it does not explicitly take into account the elasticity of demand; this method is based on cost and ignores the need for a product, which is an essential variable in pricing.

A particular danger of cost-plus pricing arises where sales fall below forecast so that profits are lower than expected, which encourages the firm (using cost-plus logic) to increase price in an attempt to capture the desired profit margin (Brennan et al., 2011).

❖ Customer Pricing

To make a pricing decision consideration of elasticity of demand is crucial. Price elasticity of demand is a measure used in economics to show the responsiveness, of the quantity, demanded of a good or service to a change in its price when nothing but the price changes. To attract customers, a firm might reduce its price, but this will result in dwindling of profit. The responsibility of an active sales organization is to raise customer’s willingness to pay a price that better reflects the products actual value (Nagle and Holden, 2012).

❖ Competitor Pricing

This approach can often lead to inappropriate price cutting as a firm seeks to gain market share it also relies on other companies competing for products prices. Here, the company's prices compare the prices of their competitors and thus can directly monitor their competitors and price response to changes occurring in the market. Although price cuts may assist a firm in achieving a short-term sales volume goal, this strategy can be quickly matched by competitors, which initiates a downward spiral of prices(Nagle and Holden, 1995).

(Porter, 1997), emphasized that one the determinant of a firm's profitability is the competition of the industry in which it operates. Competitive strategy is a firm's relative position within its industry. Positioning determines whether a firm's profitability is above or below the industry average. The fundamental basis of above-average performance, in the long run, is a sustainable competitive advantage. Price positioning strategy takes account of three elements: the price itself, the customer benefits derived from using the product or service, and competitor positioning.

The benefit of implementing competitive pricing is that it avoids price competition that can damage the company, but the cons of competitor pricing are that business has to attract a customer in different since the price will not grab the customers interest so this pricing method fails to explain the range of ways to pull customers.

2.3.3. Discount and Allowance pricing

Having set the overall price, the suppliers then has the option of offering different prices (usually on the bases of a discount) to cover different circumstances. The types of discounts and allowances most often offered are:

- **Trade Discount**- Members of supplier's distribution chain (for example retailers and wholesalers) will demand and payment for their services (Kotler and Armstrong, 2010, .pp. 29 30).
- **Quantity Discount**-these who offer to buy larger quantities of the product or service are frequently given incentives). Sellers use the quantity discount to encourage buyers to buy more. This in turn can help the seller to reduce their own production costs, which can help reduce price for the buyers (Kotler and Armstrong, 2010, .pp. 31).
- **Cash Discount**- Where credit is offered, it is sometimes decided to offer an incentive for cash payment or for prompt payment (Kotler and Armstrong, 2010, .pp. 32-33).
- **Seasonal Discount**- Suppliers to markets which are highly seasonal (such as holiday market) will often price their product or service to match the day and with the highest prices at peak demand (Kotler and Armstrong, 2010, .pp. 35-36).
- **Trade Allowances** -In the durable goods market suppliers often attempt to persuade consumers to buy a new pieces of equipment by offering allowance against trade-in of

their old one(Kotler and Armstrong, 2010, .pp. 40-41). Generally speaking, these are simply hidden discounts targeted at a group of existing competitive users.

- **During Holiday seasons**-simply the holidays is an annual festive period that surrounds Christmas and various other holidays (Kotler and Armstrong, 2010, .pp. 45-46).
- **Defective products are among those purchased products**- are also one of the seasons that price discount takes place.

2.4 Promotion

Promotion in the third marketing mix elements that disseminating information about a product, product line, brand or company. According to Keller (2005) before a business can be successful, it must attract people in buying its goods or services. Even though the product is available or where it can be purchased, customers will not usually know what the product does or how it is performing than other products they are currently using (ibid, pp. 43). Thus, particularly a business uses a produce promotion in order to convince prospects to select its products or services instead of competitors. If the marketer effectively combines the four elements of the marketing mix, the more customers are satisfied and stay loyal, and as a result the more profitable sale of the product should result (ibid, pp. 98).

2.4.2 Promotion Strategy

Helps to increase consumer awareness in terms of their products, leads to higher sales, and helps to build brand loyalty. Thus, the promotion of the marketing mix is a tool that helps disseminate information, encourage the purchase, and affects the purchase decision process. Therefore, the discussion of the promotion mix elements, another important aspect - is to understand the strategy for the promotion, which is made by selecting several ways of supporting and combinations.

2.4.2.1 Advertising

Advertising by far the most widely used marketing tool, the core of which consists of a practical, valuable social information associated with the advertising image and is focused on the direct compelling or fascinating hidden, but a useful directional communication with the audience. Advertising help provides information and the promotion of a set of ideas that helps to inform customers about new products and helps to reduce barriers between customers and organizations (Rahnama and Beiki, 2013).

2.4.2.2 Sponsorship

Sponsorship is the most critical consumer sales promotion tool that includes discounts and promotions, as well as coupons, samples, refunds, bonuses, awards, contests, and product demonstrations, and to say what motivates consumers to buy. This element of the marketing mix, covering decisions and actions provided for groups of people that are informed and encouraged to buy (Pranulis et al, 2012).

2.4.2.3 Public Relation

Public relations (PR) support the complex element that helps to maintain good relationships with the public, and the contact points of the classrooms with a positive corporate image of the company, owned by unfavorable rumors, gossip, and incidents. Matola (2009) emphasizes that communication with the public is important for both internal and external communications.

Internal communications, spreading further affect the company employees' opinion about their firm and production because each worker transmits the information for many people with whom he interacts. And, external public relations, helping to shape public opinion by external means, namely: promotion (primarily various events, actions, charitable activities), relationships with influential people, relations with the press, press conferences, contacts with various organizations, fund establishment.

2.4.2.4 Direct Marketing

Direct marketing involves direct communication between the client and the manufacturer. Direct marketing features include direct communication, interactivity, traditional direct marketing, taking place in the media. Personal selling, mailbox, the phone, catalog are ways of direct contact.

2.4.2.5 Sales Promotion

Sales promotion is one of the most amazing tools that support another marketing effort as advertising to attract consumers (Shimp, 2003). Sales promotion is a short-term strategy to derive demand and also a particular marketing offer which provides more profit than what consumers receive from the sale position of a product and also has a sharper influence on sales (Banerjee, 2009). The variety of sales promotion methods that may be employed are limited only by the creativity of the organization offering the promotion (Ferrell and Hartline, 2008). Well-known techniques include free samples, coupons, rebates, discounts (price-off deals), premiums, bonus packs, loyalty programmes, contests, sweepstakes and the like (Kotler, 2003; Ferrell & Hartline, 2008; Belch and Belch, 2012)

.

Coupons, discounts, free samples and bonus packs are some of the most effective sales promotion techniques employed by marketers and retailers to increase short-term sales (Gamliel and Herstein, 2011). The major techniques of sales promotions are discussed as follows:

- **Coupon**

Is a certificate with a stated value, presented to the retail store for a price reduction on a specific item (Arens, Weigold and Arens, 2011), which is granted immediately at the time of purchase (Lamb et al , 2009). Coupons are presented to consumers by direct mail, on the product's packaging, through the media, direct mail, door-to- door leaflets and at the point of sale (Pickton & Broderick, 2005).

- **Discount**

Is a short term price reduction of the regular price of a product (Belch and Belch, 2012) and has several synonyms, namely price-off vouchers (Shimp, 2003), money-off vouchers (Broderick and Pickton , 2005), cents-off vouchers (Semenik, 2002) and price incentives (Du Plessis, Cook, Van Heerden, Van Rooyen, Mulder, Du Plessis, Franck and Muir, 2010). Discounts are appealing to consumers because they provide an immediate reward (Shimp, 2003) and an easily recognised value to the consumer (Belch & Belch, 2012). Discounts can stimulate sales (Pride and Ferrell, 2010), encourage consumers to repurchase or to purchase greater volumes (Shimp, 2003), encourage consumers to switch brands and can persuade price sensitive consumers to buy (Lamb et al., 2009).

- **Free Sample**

Is a trial-size version of a product that is given to the consumer at no extra cost (Belch & Belch, 2012) in order to encourage product trial; for example, a small container of body lotion included when purchasing a magazine (Pickton and Broderick, 2005).

Sampling offers credibility, as the consumer can experience the benefits of the product first hand (Ouwersloot and Duncan, 2008). Consumers generally perceive a certain amount of risk in trying new products, and samples help mitigate that risk in that they allow the consumer to try the product prior to purchase (Lamb, Hair, McDaniel, Boshoff, Terblanche, Elliott and Klopper, 2010).

Samples can be distributed through direct mail, door-to- door delivery, on the package of another product, in retail stores or through the media (Bird, Blem, Duckles, Koekemoer, Skinner and Van der Westuizen, 1998). Sampling is beneficial in restoring a declining product and demonstrating a product that is difficult to describe in words alone (Du Plessis et al., 2010)

.

Sampling is especially effective when the consumer perceives the product to be different from that of competitors (Ouwersloot & Duncan, 2008), or to encourage competitors" customers to switch brands (Lamb et al., 2009). Furthermore, sampling can stimulate sales when a product is still in the early stage of the product life cycle (Pride and Ferrell, 2010) or establish a brand within an area with weak market share (Semenik, 2002).

- **Premiums or bonus packs**

Are defined as a sales promotion technique offering items, either free or at a small cost, as an incentive for consumers to purchase a product (Pride and Ferrell, 2010). Premiums can include

more of the product (multiple units) offered at the regular price, such as buy one and get one free‟, also referred to as, two-for-the-price-of-one (Lamb et al, 2010) packages that include more of the product (Du Plessis et al., 2010), or a bonus pack with a different product (Yeshin, 2006).
Premiums are used to entice consumers to buy immediately (Belch and Belch, 2012), reinforce the consumer‟s purchase decision, induce trial for new or improved products, increase consumption, encourage repeat purchase (Shimp, 2003) and persuade consumers to switch brands (Lamb et al, 2010).

2.4.2.6 Price Discount

The price discount is "reduce the price for a given quantity or increase the quantity available at the same price, thereby enhancing value and create an economic incentive to purchase" (Raghubir and Corfman, 1999). Short-term discounts have a tendency to attract occasional users of the same brand more likely than getting new customers to purchase the discounted product, moreover, these casual users after getting benefits of this promoted product would most likely get back to their preferable brand or type rather than buying that promoted brand at full price after discount season (Ehrenberg et al., 1994).

2.4.2.7 Buy One Get One Free

Buy one get one free defined as if you buy one product, you get another one for no cost. Accordingly, customers can be easily attracted to purchase the product because there is no additional cost. Due to this reason, this sales promotion technique is widely used by different marketers (Sinha and Smith, 2000). According to Li, Sun and Wang (2007) Buy one get one free type promotions is a beneficial tool, especially to marketers and manufacturers who want to clear their stock more quickly.

2.5 Channel of Distribution

Channel of distribution consists of a network of intermediaries those managers that manage the flow of goods and services from the producer to the final customer. The distribution system consists of channel intermediaries that provide a link between producers and final consumers.
The idea that marketing system uses channels that maximizes efficiency and effectiveness, minimizes costs, and delivers the greatest customer satisfaction (Kotler and Armstrong, 2010: pp.: 87).

- Merchant middlemen: include merchant wholesalers and retailers who take title to and resell the goods.
- Agent middlemen: include agents, brokers and manufacturer's sales branches and offices who do not take title to the goods involved. They rather negotiate purchase, sales or both. The longest most indirect channel includes producer, one or more wholesalers or agents, retailers and consumers. This channel is the most appropriate when the producer's objective is to achieve maximum market penetration with intensive distribution. The shortest channel, from producer to consumers, offers the most direct and quickest distribution route because no intermediaries are involved. It is easiest to manage and control (Anderson and Vince, 2000:280-282).

2.5.2. Selecting Channel of Distribution

Some basic criteria must be established for selecting each channel intermediary. According to Engle (2009:190), four factors dominate the criteria including a channel member in to the company's distribution structure:

- Market Coverage-channel intermediaries should be selected for their ability to achieve the company's distribution objective of reaching the greatest number of potential customers with the fewest transaction.
- Degree of control desired- there is a potential loss of control when channel intermediaries are used. Thus, the marketer must make decisions concerning the degree of control desired over the marketing of the firm's products.
- Costs and other economic criteria- the cost of achieving desired market coverage must be consistent with distribution strategy objectives and should not be greater than the benefits to the company and its customers.
- Flexibility/Adaptability- the manufacturer must be able to respond to charge in the market or the company. So a channel of distribution involves an agreement of exchange relationships that create value for buyers and sellers through the acquisition of goods and services.

2.6 JEROME MCCARTHY'S 4PS PARADIGM

The major step in popularizing the marketing mix was the publication of Jerome McCarthy's, *Basic Marketing: A Managerial Approach* in 1960. The distinguishing feature of the text was its conceptualization of the marketing mix as the four Ps: Product, Price, Promotion, and Place. McCarthy reduced Borden's 12 variable marketing mix to the very manageable and memorable 4Ps, and he discussed the marketing mix within his visually appealing marketing manager's framework. Robert Bartels (1976, p. 180) termed McCarthy's text "a landmark book because it lifted the mass of students and practitioners of marketing a step higher in the understanding of how marketing decisions are made."

Since 1960, McCarthy has discussed the marketing mix within the marketing manager's framework – concentric circles with the customer surrounded first by the 4Ps and then by the environmental forces that affect marketing strategy development (i.e. selecting target markets and blending marketing mixes). Emphasizing the marketing concept, the customer is the focal point for the marketing manager's decisions (McCarthy 1960; McCarthy and Perreault 1993). Discussing the 4Ps in the context of marketing strategy development within the marketing manager's framework vividly illustrates the marketing manager's role.

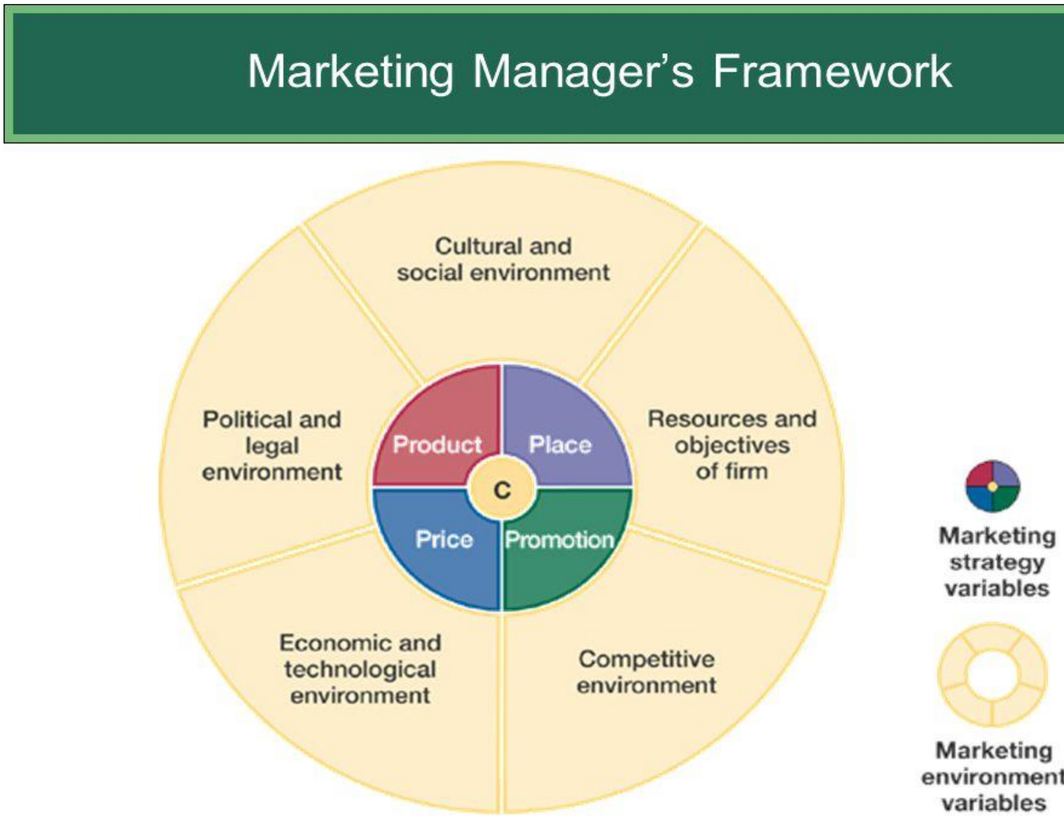

Figure 1: Marketing manager's framework

2.7 EVALUATION OF THE 4PS AND ALTERNATIVE PARADIGMS

Criticisms of McCarthy's 4Ps paradigm have generally fallen into one of two categories. Some have attacked the adequacy of the model itself. In the early 1970s, a flurry of research was published relating to the 4Ps paradigm and/or the framework in which marketing managers make marketing decisions (Lipson and Darling 1971; Kelley and Lazer 1973; and others). However, the alternative paradigms that these authors suggested could not compete with the explanatory power and exhaustiveness of the 4Ps paradigm. The most vocal recent critic of the 4Ps paradigm is Gordon C. Bruner, II (1988, 1989) who suggested replacing McCarthy's 4Ps with his own "Four Cs" - concept, channels, costs and communication. Bruner's model has received very little support.

Many critics of the 4Ps paradigm failed to fully comprehend the fact that McCarthy discussed the 4Ps within the marketing manager's framework. While some theorists might support Berry's notion of a service variable being a separate marketing mix element, McCarthy's contention that service is better discussed as a vital component of product is supported. While other historical and contemporary conceptualizations of the marketing mix have failed to gain support, McCarthy's 4Ps have flourished for over three decades in spite of dramatic changes in the study and practice of marketing. McCarthy's 4Ps have proven to be highly effective as a real-world and academic paradigm.

2.8. Definition and Models of Customer Satisfaction

In any business, customers are the most important aspect of a successful company and the customers must be looked after managed properly. The definition of customer satisfaction has been widely debated as organizations increasingly attempt to measure it. Customer satisfaction can be experienced in a variety of situations and connected to both goods and services. It is a highly personal assessment that is greatly affected by customer expectations. Satisfaction also is based on the customer's experience of both contact with the organization (the "moment of truth" as it is called in business literature) and personal outcomes.

Customer satisfaction differs depending on the situation and the product or service. A customer may be satisfied with a product or service, an experience, a purchase decision, a salesperson, store, service provider, or an attribute or any of these (Kurtz and Boone: pp. 176).

In some of the best known models which connect concepts of loyalty, customer satisfaction and customer value, customer satisfaction is modeled as a function of customer expectations and perceived quality (Fornell, 1992). Fornell endorses a view of customer satisfaction, loyalty and switching behavior which can also be applied to business. He argues that there are two important functions which deal with customer satisfaction:

Customer satisfaction = f (expectation, perceived performance),
Loyalty = f (customer satisfaction, switching barriers, voice).

According to this model, satisfaction increases customer loyalty and decreases switching behavior. Switching barriers - e.g. search costs, learning costs, emotional cost, in addition to risks on part of the buyer - make it costly for the consumer to switch to another supplier. In a later work Johnson et al. (1995) argue that customer satisfaction is a cumulative construct that is affected by market expectations and performance perceptions in any given period, and is also affected by past satisfaction from period to period. Also, Anderson and Sullivan (1993) specify satisfaction as a function of perceived quality and "disconfirmation" - the extent to which perceived quality fails to match pre-purchase expectations. Expectations in their model do not directly affect satisfaction.

The most dominant theory of customer satisfaction is the expectancy-disconfirmation model (Oliver, 1980). According to this theory, satisfaction outcomes are a function of perceived performance and perceived disconfirmation. Perceived disconfirmation depends on perceived performance and standard for comparison. Standards of comparison may include expectations, ideals, competitors, other service categories, marketer promises and industry norms. If perceived performance is significantly worse than the comparison standard (more than the customer is indifferent to), a customer will experience negative disconfirmation (service did not meet the comparison standard). It does not matter how the service provider believed the service was performed. It is especially important for managers of business services to recognize negative disconfirmation, as it presents the largest threat to customer loyalty, word-of-mouth recommendation, repeat purchases, and other desirable customer responses.

2.9) Empirical Review

A study conducted by Oberiri (2016): Impact of Marketing Strategies on Customers's Satisfaction in Nigeria Bottling Company(NBC) Yola Depot(2008-2016). The research work looked at the impact of marketing strategies on customers' satisfaction in NBC Yola depot. The strategy that NBC uses in marketing customer's product is by making the company environment to be more conducive for the customers. Improving their products by training and re-training of staff to turn out qualitative product to their customers in a distinctive fashion, they also adopt the use of gift items and souvenirs as presents to customers especially during festive periods. The survival strategy is another strategy that is adopted by the company this involves anticipating changes and preparing a survival strategy where strategic management is introduced into its operation. The finding indicated that the marketing strategies adopted are effective and the factors responsible for the effectiveness are proper planning, implementation/execution and the effectiveness of the marketing strategies are seen from the light of the growth and expansion of the company. The research also revealed that customer's motives toward patronizing of NBC product is because the product offers satisfaction and customers also consider the price being offered by the company as moderate.

Another study conducted by Ezekiel Tom Ebitu (2016): marketing strategies and consumers' satisfaction of cement products in Calabar, Nigeria examined United Cement Company marketing strategies on cement consumers' satisfaction in Calabar. The company has evolved some marketing strategies including marketing mix strategy, market development and expansion strategy, product innovation and total quality management, and corporate social responsibility strategies among others. Each of these marketing strategies was tested for significance and found to have contributed significantly to consumer's satisfaction in Calabar. According to the finding consumers were optimistic that growth or expansion through market development and expansion strategy of UniCem would translate to improved service delivery and quality product contents. The finding also showed that customers were satisfied by the product innovation of UniCem's to increase their level of satisfaction my serving them better but UniCem consciously innovate as a a strategy to sustain existing customers while strategizing to buy over new customers. It was concluded that the marketing strategies of United Cement Company have significant positive impact on its consumers in Calabar

Al Qaysi and Zainal (2018): conducted research on the impact of Marketing Strategy on Customer Satisfaction for E-learning: A Marketing strategies Model Approach. The study investigated four variables which are packaging strategy, social bonding strategy, service quality strategy and price strategy. The finding showed that the services and products performance are less than what the coaches are expecting hence customer dissatisfaction. Since satisfaction comes from the customer expectation and product standards, the quality of the product or service and the price and purchase conditions are the keys. Further, positive relationship between perceived expectation and actual satisfaction could be found through controlling the actual product performance, meaning that dissonance may not occur unless the evaluation started with a negative consumer expectation. Finally, the top preferred promotional strategies are a website, Professional seminars/talks, and E-brochure. Others are E-newsletters, Breakfast meetings and Newspaper articles respectively.

Ahmed S and Rahman M (2015): conducted a research on the effect of marketing mix on consumer satisfaction from Islamic perspectives. The study discussed on how marketing mix influences customer satisfaction from Islamic perspectives and why it is necessary for the consumers. They stated the unethical practices from Islamic perspective for example products should not include unclean products like dog and pig. Finally, conclusion was made that a lot of the issues and problems faced in society nowadays are a result from the lack of ethics in our daily lives. People tend to be overridden by greed and self-satisfaction that is competition and profit maximization rather than looking at cooperation and moderation, which the latter pair are what forms the basis of Islamic worldview. When talking from an Islamic marketing perspective and comparing competition and profit maximization versus cooperation and moderation, the latter pair provides “win-win” situation in that it facilitates satisfaction to both the customers and the sellers, as opposed to the former pair which serves to only satisfy the sellers. Thusin order to avoid promoting ‘toxins’ towards society, businesses should implement Islamic marketing through all their marketing mix strategies to gain not only better ‘rewards’ in this world, but also for the hereafter.

A study conducted by Weldekiros (2019): on the effect of marketing mix tools on Customer Satisfaction in case of Wegagen Bank. The study investigated seven variables which are; Product, price, place, promotion, people, process and physical evidence. The finding showed that customers are more satisfied on promotion, place and physical evidence of the service the bank provides. While there is a moderate level of satisfaction on the rest of the marketing mix tools. Finally, the researcher recommended the bank should exert much effort to improve the overall level of customer satisfaction on the marketing mix tools namely; product, price, place, people and process through introducing new and diversified process options, fair service charges and commissions, cooperative and skillful employees, enhancing customers and employees technology knowhow and introducing fast and modernized services. Moreover, the bank should have relaxed pricing and process strategy, apply various process options, trained and efficient staff in marketing management, suitable legal and regulatory framework on service marketing mix implementation, formal and documented service marketing mix strategies and allocate enough marketing budget.

Meron (2018): examined the effect of marketing strategies on customer satisfaction in case if St. George brewery. The study explored six variables namely; product strategy, price strategy, distribution strategy, promotion strategy, relationship strategy and branding strategy. From the result it was concluded that product, promotion, distribution and relationship marketing strategy had a positive effect on customer satisfaction. Hence, Relationship marketing strategy had a highest effect on customer satisfaction. However price and branding had insignificant effect on customer satisfaction. The researcher concluded that St. George brewery should focus more and consistently update the product, promotion, distribution and relationship marketing strategies. On the other hand, the company should give attention to improve its price and branding strategy.

A parcel of investigated empirical evidence demonstrated that marketing mix strategy can influence customer satisfaction in several businesses. Up to the finest information of the analyst, restricted exertion was given to think about with respect to the effect of marketing mix strategy on customer satisfaction in detergent industry. Thus, this research study examined the effect of marketing mix strategy on customer satisfaction to fill the gap on SSADI PLC.

2.10) Conceptual Framework

The general idea from the past literature is that there is a relationship between marketing mix practices and customer satisfaction. Based on the literature presented above, the following conceptual framework of the study has been developed.

Independent variable **Dependent Variable**

Product

Price

Promotion

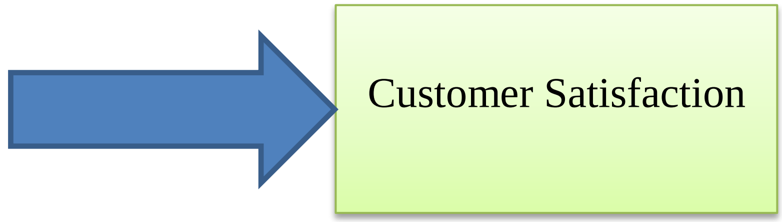

Figure 2: Conceptual model of the effect of marketing program on customer satisfaction (Modified by the researcher)

Chapter Three

3. Research Methodology

This chapter states method of study which includes description of the study area , research approach , research design , population , sample size and sampling technique, data collection methods, sources of data and method of analysis.

3.1 Description of the study area

The study was conducted on Star Soap and Detergent Industries SSADI PLC which is located in Addis Ababa A/Kality sub-city, House no 1201. SSADI PLC is a private company which has been in the soap and detergent industry for nearly a decade. The company produces toilet bar soap, detergent powder and liquid detergent.

3.2 Research Design and Approach

According to Kothari (2004) research design is "the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. It is the conceptual structure within which research is conducted and constitutes the blueprint for the collection, measurement and analysis of data. A descriptive research design was used.

The study employs quantitative approach. Kothari (2004) defines quantitative data as the generation of data in quantitative form which can be subjected to rigorous quantitative analysis in a formal and rigid fashion. Quantitative approaches included the utilization of numerical data or data will quantifiable measures to determine relationships and patterns (Blumberg et al., 2011). In, this study, Quantitative research approach was used mainly due to the following reason: Using the quantitative inferential method to determine the relationship between two or more variables, Therefore the independent variable of marketing mix strategy (product, price, promotion and place) and the dependent variable was customer satisfaction.

3.4 Target Population of the Study

The target population is that which a researcher wants to generalize the results of the study. In this study target population encompasses the customers of SSADI PLC who live in Addis Ababa. The unit of could also be an individual, group, organization, country, object, or the other entity that you simple wish to draw scientific inferences about. (Anol Bhattacherjee, 2012)

3.5 Data sources and Types

Both primary and secondary data sources were used in order to collect data from relevant sources. In this study questionnaire and document were the main sources of data. Primary data was collected by distributing close-ended questionnaire to the target customers. Whereas secondary data was collected from marketing books, journal articles, and magazines to obtain the theoretical and empirical evidences.

3.6 Sample size and Sampling Technique

Sample size

Since the total population of the study is unknown the researcher used the formula suggested by Kohtari, (2004) which indicated below to determine the sample size.

$$\boxed{n=\frac{z^2 \times p \times q}{e^2}}$$

Where

n = desired sample size

z^2= standard variant at the given confidence level

p= proportion of success

q= Proportion of failure

e= acceptable errors

Therefore, supported the above formula an estimation of the expected proportion of success must also be considered (Kothari, 2004). In this case, a more conservative proportion of success (p) which is 50% were selected together with a level of confidence of 95% (z), a sampling error not greater than 5% (e). This results a sample size of 384 people for the study.

$$\boxed{\mathbf{n = \frac{1.96^2 * 0.5(1-0.5)}{0.5^2} = 384}}$$

Sampling Technique

Questionnaires were distributed by using non-probabilistic sampling technique of convenience sampling because all consumers of SSADI cannot be available at the same time. Convenience sampling is a type of non-probability sampling adopted by researchers to collect a research data from a conveniently available pool of respondents.

3.7 Data Collection Method

The data collected for this study was from two sources, namely from primary and secondary source. The primary data was gathered through a structured, five-point Liker Scale close-ended questioner, which ranged from 1 for "strongly disagree" to 5 for "strongly agree”. The questioner was distributed to the selected target customers of the company in Addis Ababa city. This ensures the capturing of all the issues required and also confirms high response rates. While for the secondary data the researcher identified document which shows the marketing mix strategy implemented in the company and also from various published sources which includes journals and articles.

3.8 Data Analysis technique

Data analysis consists of examining, categorizing, tabulating, or otherwise recombining the evidence to address the initial propositions of a study (Malhotra et al., 2007). The data collected was edited, coded, tabulated, and presented for analysis. To meet the research objectives of this study, all correct responses were assessed using a variety of statistical techniques.

The quantitative data was obtained from respondents and analyzed using statistical package for social sciences version 23. The data obtained through questionnaire was checked and entered in statistical package for social sciences (SPSS). Data collected through questionnaire was analyzed using descriptive statistics, correlation, regression analysis and Kano's Model.

Regression analysis was used to see how much the independent variable; product, price promotion and place/distribution strategy influences the dependent variable; customer satisfaction. And correlation analysis was also conducted to measure the strength of the association between marketing mix strategy and customer satisfaction.

The Regression Model specification

$Y = \beta0+ \beta1X1+ \beta1X2+ \beta1X3+ \beta1X4+e$

Y represents the dependent variable customer satisfaction

X contains the set of explanatory variables in the estimation model,

$\beta0$ represents the constant, β represents the coefficients and e is the error term.

Therefore the model for the multiple regressions built in the hypothesis is

$CS= \beta0+ \beta1 (PDT)+ \beta2 (PRI)+ \beta3 (PRM) + \beta3 (PLA) + e$……………………………..1

Where

CS= CUSTOMER SATISFACTION

PDT= PRODUCT

PRI=PRICE

PRM= PROMOTION

PLA= PLACE

3.9 Reliability

Reliability, according to (Cavana, Delahave, and Sekaran, 2000), reliability is the degree to which measure is free from error and therefore, yield consistent results. All the constructs had tested for the consistency reliability of the items within the constructs by using Cronbach‟s alpha reliability analysis. The reliability of a measure indicates the stability and consistency with which the instrument measures the concept and helps to assess the goodness of a measure (Zikmund, 2003). According to (Sekaran, 2003), the closer the reliability coefficient gets to 1.0, the better it is, and those values over 0.80 are considered as good. Those values in the 0.70 are considered as acceptable and that reliability value less than .60 is considered being poor (Sekaran, 2003).

3.10 Validity

Validity is concerned with whether the findings are really about what they appear to be about. Kazi (2010), defined the validity as "the degree to which a measure accurately represents what it is supposed to." Validity is concerned with how well the concept is determined by the measure(s). Validity is the criteria for how effective the design is in employing methods of measurement that capture the data to address the research questions (Kazi, 2010). The questions had been derived from relevant literature to ensure the validity of the questionnaire. The questioners had been adopted from previous research works that are related to this research.

3.11 Ethical Consideration

In the context of research, ethics is defined as the appropriateness of the researcher's behavior about the rights of the participants or subjects of the research work (Saunders, Lewis, and Thornhill, 2009). The general rules of research ethics govern this study in such a way that a formal letter has been submitted to SSADI and key account customers to prove the legitimacy of the review written from Addis Ababa University, College of Business and Economics, Department of MBA . Any respondent had not been push to answer the question that they are not comfortable with, and there response has been confidentiality kept throughout the study.

CHAPTER FOUR

4. DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1 INTRODUCTION

This chapter discusses the interpretation and presentation of findings obtained from the field. Data were collected to examine the relationship between customer satisfaction and marketing mix strategy. This chapter presents the background information of the respondents and finding of the analysis based on the objective of the study.

4.2 Response Rate

A total of three hundred eighty four (384) questionnaires were distributed to the respondents of SSADI and all questionnaires were successfully completed and returned which makes the total response rate 100%. As a result, the analysis of this research is based on the number of questionnaires collected.

4.3 Reliability Test Result

The reliability test is an important instrument to live the degree of consistency of an attribute which is meant to live. The less variation of the instruments produces in repeated measurements of an attribute the greater its reliability. Cronbach's alpha is one among the foremost commonly accepted measures of reliability (Mahon and Yarcheski, 2002).

It measures the interior consistency of the things during a scale. It indicates that the extent to which the things during a questionnaire are associated with one another. The standard range of Cronbach's coefficient alpha value range between 0-1 and therefore the higher values reflects a higher degree of internal consistency. Different authors accept different values of this test so as to internal reliability, but the foremost commonly accepted value is 0.70 because it should be adequate to or above to internal reliability (Hair et al., 2003).

Table 1 Cronbach's Alpha

Reliability Statistics

Cronbach's Alpha	N of Items
.833	5

4.4 Descriptive Analysis

Descriptive analysis was to check out the information collected and to explain that information. It is mainly important to form some general observation about the information gathered for demographic general or questions.

4.4.1 Demographic Information of Respondents

To observe what demographic trend the sample population had, the questionnaire started off with demographic characteristics of respondents. This part of the questionnaire requested limited amount of information related to personal and demographic status of the respondents.

Accordingly, the subsequent variables about the respondents were summarized and described within the following table. These variables include gender, age, educational background and occupation.

Table 2 Demographic profile of respondents

	Category	Frequency	Percent	Valid Percent	Cumulative Percent
Gender	Male	181	47.1	47.1	47.7
	Female	201	52.3	52.3	100
	Total	**384**	**100**	**100**	
Age	18-24	81	21.1	21.1	21.1
	25-34	235	61.2	61.2	82.3
	35-44	68	17.7	17.7	100
	45-54	0	0	0	0
	55-64	0	0	0	0
	Total	**384**	**100**	**100**	
Education Statues	High School	15	3.9	3.9	3.9
	Diploma	64	16.7	16.7	20.6
	Degree	223	58.1	58.1	78.6
	Masters and above	82	21.4	21.4	100
	Total	**384**	**100**	**100**	
Occupation	Student	20	5.2	5.2	5.2
	Unemployed	34	8.9	8.9	14.1
	Employed	277	72.1	72.1	86.2

	Personal Business	53	13.8	13.8	100
	Total	**384**	**100**	**100**	

Source: survey result, (2020)

Findings indicate that the majority of respondents were female (52.3%). Male respondents were (47.1%).This shows female were majority of the respondents which is interpreted as females have more demand for SSADI products and high usage of it. With respect to age of the respondents, 21.1% of the respondents were in the range of 18-24; 61.2% of the respondents were in range of 25-34; 17.7% of the respondents were in the range of 35-44. This shows majority of the customers of SSADI were young which can be interpreted as youngsters are more exposed to SSADI products and have high needs to consume their products than the other age groups.

As far as the educational level of the respondents is concerned, 3.9% of the respondents were high school students; 16.7% of the respondents were diploma holders; 58.1% of the respondents were degree holder and 21.4% of the respondents were master's holders and above . It can be said from the survey that most of the customer of SSADI were bachelor's degree holder which implies that it is a good advantage for the application of the marketing mix practices and gives the organization a competitive advantage because nowadays SSADI has been outraged by the detergent industries like Unilever. In addition an educated group helped for responding the questionnaire correctly. With regard to occupation of the respondents; 5.2% of the respondents were students; 8.9% of the respondents were unemployed; 72.1% of the respondents were employed and 13.8% of the respondents were engaged in private business. Majority of the respondents were employed which indicates that hygiene is important in the work place because it contributes to a healthy workforce. This will also applies to all, not just workplaces. A healthy workplace also means workers take less sick leave Thus, this survey indicates that majority of the customers of SSADI were employed.

4.2 Descriptive Statistical Analysis

Using descriptive statistic or through using central tendency the analysis of this study was done. The mean score of each variable was used by the researcher. Demonstrating the average responses of respondents for each question that was included under each dimensions of the predictor variable and to reach the grand mean of each dimension was the main reason of using this measurement. Finally, for the aim of achieving partial research objectives of the study interpretation is made by using the grand mean of each independent dimension. Based on the following measurement scale intervals or range the interpretation was made. Mean scores 4.51-5.00 excellent or very good, 3.51-4.50 good, 2.51-3.50 average or moderate, 1.51-2.50 fair and 1.00-1.50 is poor (Poonlar Btawee:1987).

4.2.1 Descriptive Statistical Analysis for Marketing mix Strategies

In order to assess the effect of marketing mix strategy on customer satisfaction of SSADI in Addis Ababa, descriptive statistics were computed per dimension, as given below.

4.2.1.1 Perception of Respondents toward Product

Table 3 Description Statics respondents of Product

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
I remind SSADI's product first to buy detergent products.	384	1.00	5.00	2.9323	1.02226

SSADI provides variety of detergent products.	384	1.00	5.00	3.1250	1.11247
SSADI has better product quality than other detergent products.	384	1.00	5.00	3.1016	1.00266
SSADI has consistency in product quality.	384	1.00	5.00	3.0859	.97510
SSADI adds unique features in the existing products.	384	1.00	5.00	3.1927	1.08604
The labeling of SSADI products is clear for customers to understand.	384	1.00	5.00	3.2005	1.05657
The packaging of SSADI products is attractive and easy to handle.	384	1.00	5.00	3.1458	1.07649
SSADI provides additional service for its products.	384	1.00	5.00	3.1901	.90994
Valid N (listwise)	384				

Source: survey result, (2020)

The above table clearly shows mean and standard deviation of product of the respondents.As shown in the table “I remind SSADI’s product first to buy detergent products.” has scored a mean of 2.9323 and standard deviation of 1.02226 which is the lowest mean score. “SSADI provides variety of detergent products" has scored a mean of 3.1250 and standard deviation 1.11247. "SSADI has better product quality than other detergent products" has a scored a mean of 3.1016 and standard deviation 1.00266. "SSADI has consistency in product quality." has a scored a mean of 3.0859 and standard deviation of .97510. "SSADI adds unique features in the existing products." has scored a mean of 3.1927 and standard deviation of 1.08604. "The labeling of SSADI products is clear for customers to understand." has scored a mean of 3.2005 and standard deviation of 1.05657. "The packaging of SSADI products is attractive and easy to handle." has a scored a mean of 3.1458 and standard deviation of 1.07649. "SSADI provides additional service for its products." has scored a mean value of 3.1901 and standard deviation of .90994. According to (Crewel, 2012) the result is within the range of 2.51 and 3.5, which is moderate.

4.2.1.2 Perception of Respondents toward Price

Table 4 Description Statics respondents of Price

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
SSADI charge reasonable price for its products.	384	1.00	5.00	3.2396	.96405

SSADI products price is lower than other detergent company's products.	384	1.00	5.00	3.1406	.99661
SSADI offers discount and incentives.	384	1.00	5.00	3.1250	1.04469
SSADI price is comparable to other detergent company's products.	384	1.00	5.00	3.3750	.99345
SSADI provide credit terms for its customers.	384	1.00	5.00	3.1693	1.02959
SSADI provide payment periods which are acceptable and clear.	384	1.00	5.00	3.2500	.95047
Valid N (listwise)	384				

Source: survey result, (2020)

According to the above table, "SSADI charge reasonable price for its products." has scored a mean value of 3.2396 and standard deviation of .96405. "SSADI products price is lower than other detergent company's products." has scored a mean value of 3.1406 and standard deviation of .99661. "SSADI offers discount and incentives." has scored a mean value of 3.1250 and standard deviation of 1.04469. "SSADI price is comparable to other detergent company's products." has scored a mean value of 3.3750 and standard deviation of .99345 which s the highest mean score. "SSADI provide credit terms for its customers." has scored a mean value of 3.1693 and standard deviation of 1.02959. "SSADI provide payment periods which are acceptable and clear." has scored a mean value of 3.2500 and standard deviation of .95047.

4.2.1.3 Perception of Respondents toward Promotion

Table 5 Description Statics respondents of Promotion

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
SSADI promotional activities are frequently updated.	384	1.00	5.00	3.0182	1.04578
SSADI use sales persons, retailers and distributors to inform about their products.	384	1.00	5.00	2.9948	1.05215
I am able to know well about the product through various media.	384	1.00	5.00	2.9323	1.18986
SSADI use different promotional channels to inform about their products.	384	1.00	5.00	2.9193	1.07244
The promotional activity of SSADI is ethical.	384	1.00	5.00	3.1198	1.03527
Valid N (listwise)	384				

Source: survey result, (2020)

The above table shows that “SSADI promotional activities are frequently updated.” has scored a mean value of 3.0182 and standard deviation of 1.04578. “SSADI use sales persons, retailers and distributors to inform about their products.” has scored a mean value of 2.9948 and standard deviation of 1.05215. “I am able to know well about the product through various media.” has scored a mean value of 2.9323 and standard deviation of 1.18986. “SSADI use different promotional channels to inform about their products.” has scored a mean value of 2.9193 and standard deviation of 1.07244. “The promotional activity of SSADI is ethical.” has scored mean value of 3.1198 and standard deviation of 1.03527. This implies that the fourth, third and second variables of promotion had the lowest mean scores respectively.

4.2.1.4 Perception of Respondents toward Place

Table 6 Description Statics respondents of Place

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
SSADI products are easily accessible and convenient.	384	1.00	5.00	3.2031	.99890
I have strong reliance on the distributors of SSADI.	384	1.00	5.00	3.1510	1.05618

I believe that the availability of SSADI is high when compared with other detergent products.	384	1.000	5.000	3.15104	1.000313
SSADI provides delivery.	384	1.00	5.00	3.1432	.93820
Valid N (listwise)	384				

Source: survey result, (2020)

From the above table "SSADI products are easily accessible and convenient." has a mean score of 3.2031 and standard deviation of .99890 which has the highest mean score. "I have strong reliance on the distributors of SSADI." has scored a mean value of 3.1510 and standard deviation of 1.05618. "I believe that the availability of SSADI is high when compared with other detergent products." has scored a mean value of 3.15104 and standard deviation of 1.000313. "SSADI provides delivery." has scored a mean value of 3.1432 and standard deviation of .93820.

4.2.1.5 Perception of Respondents toward Customer Satisfaction

Table 7 Description Statics respondents of Customer Satisfaction

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation

I am satisfied with the product offer of SSADI and meet my needs and expectations.	384	1.00	5.00	3.2240	1.03306
I am satisfied with the price offer of SSADI and meet my price expectation.	384	1.00	5.00	3.2656	1.01027
I am satisfied with the promotional activities of SSADI.	384	1.0	5.0	3.016	1.1584
SSADI products are available and are delivered on time to meet my delivery expectation.	384	1.00	5.00	3.1276	1.08965
Valid N (listwise)	384				

Source: survey result, (2020)

According to the above table, "I am satisfied with the product offer of SSADI and meet my needs and expectations." has scored a mean value of 3.2240 and standard deviation of 1.03306. "I am satisfied with the price offer of SSADI and meet my price expectation." has scored a mean value of 3.2656 and standard deviation of 1.01027. "I am satisfied with the promotional activities of SSADI." has scored a mean value of 3.016 and standard deviation of 1.1584. "SSADI products are available and are delivered on time to meet my delivery expectation." has scored a mean value of 3.1276 and standard deviation of 1.08965. Since most of the respondents are moderate/neutral on the variables and that implies the majority of the respondents are neutral means there are a lot tasks expected to be done to satisfy the customers while satisfying customers.

4.2.1.6 Summery of Perception of the respondents towards Determinants of Marketing Mix Strategies.

Table 8 Summery of Perception of the respondents towards Determinants of Marketing Mix Strategies.

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Product	384	1.33	4.56	3.1418	.75647
Price	384	1.43	5.00	3.2132	.79254
Promotion	384	1.20	5.00	2.9969	.86811
Place	384	1.50	5.00	3.1621	.83098
CS	384	1.00	5.00	3.1582	.87028
Valid N (listwise)	384				

Source: survey result, (2020)

The above table clearly summarizes mean and standard deviation of marketing mix strategy perceived by the respondents. It indicates the respondent's agreement with the four variables of determinants of customer satisfaction by giving the higher rate scale to price(mean =3.2132, SD =.79254), followed by place(mean=3.1621, SD = .83098), product(mean = 3.1418, SD =.75647), promotion (mean =2.9969, SD = .86811).

This implies that the marketing mix strategy variables product, price, place and promotion are the predictors of the dependent variable customer satisfaction. Besides, the perception of the respondents toward customer satisfaction rating scale of (mean= 3.1582, standard deviation .87028). This result falls in the rating scale 2.61 – 3.40. This implies that the majority of the respondents are neutral they are not satisfied or dissatisfied on the marketing mix strategy of SSADI. From this we infer that the more the SSADI emphasize on product, price, promotion and place so the more will be the customer satisfied..

4.3 Correlation Analysis

Like the descriptive statistical methods, i.e. demographic factories, and the scale typed questionnaire entered to the SPSS software version24 to process inferential statistics methods employed such as: simple correlation and multiple regression to test the hypothesis. Pearson correlation test was conducted to know the degree of relationship between the independent variable i.e. market strategy and the dependent variable i.e. Customer satisfaction. Based on the questionnaires which were filled by the customers of the SSADI in capital city Addis Ababa, the results of the correlation analysis between these variables are shown in table below. Correlation measures the strength of the linear relationship between two variables. Thus, Pearson's correlation is used to identify whether there are relationships between the variables and to describe the strength and the direction of the relationship between two variables. According to Berndt et. al (2005), the level of association as measured by Pearson's coefficient falls between -1.0 and +1.0, which indicates the strength and direction of association between the two variables. The interpretation of the result is as follows; a correlation result between 0 to 1 implies positive relationship, 0 (zero) for no relationship, 1 for perfect positive relationship, -1 for perfect negative relationship and between -1 to 0 indicate the existence of negative relationship. Though it indicates the existence of a positive or negative relationship, the strength of such a relationship is not high when the results fall below ±0.61 (Oogarah-Hanuman et. al, 2011). According to Berndt et. al (2005), the rules of thumb proposed by Burns and Bush (in van Heerden, 2001) suggests that "moderate" ends at ±0.60, and "strong" starts at ± 0.61.Since all variables are interval, the relationship between the independent variables i.e. product and price, and the dependent variable i.e. customer satisfaction was investigated using Pearson product –moment correlation coefficient. The results of correlation analysis in the table shows that all the independent variables were positively and significantly correlated with the dependent variable i.e. customer satisfaction at 99 percent confidence level ($P<0.01$).

Table 9 Correlation between Marketing Mix Strategies and Customer Satisfaction

Determinants of marketing mix strategy			
	Pearson Correlation	**Sig. (2- Tailed)**	**N**

Product	.784**	.000***	384
Price	.791**	.000***	384
Promotion	.695**	.000***	384
Place	.758**	.000***	384
Customer Satisfaction	1	.000***	384

Source: survey result, (2020)

The above table illustrates the correlation between the dependent variable, Customer Satisfaction, and independent variables. As it was tested in a two-tailed Pearson‟s correlation analysis, the association of dependent and each independent variable is described below.

"The correlation coefficient (r) ranging from 0.10 to 0.29 regarded as low degree of correlation, r ranging from 0.30 to 0.49 can be considered as moderate degree of correlation , r ranging from 0.50 to 1.00 may be considered as a high degree of correlation"(Cohen, 1998).

Table No. 9 shows that the variables were positively and significantly correlated with the dependent variable i.e. customer satisfaction at 95% confidence level (P<0.01). The table revealed that maximum correlation occurred between price and customer satisfaction with the value of 0.791. This was followed by place with correlation of 0.758, while product was 0.784. Finally the lowest correlation was recorded by promotion with the value of 0.695.

When we look the inter correlation between the independent variables we can see that there is a positive and significant (P=000) relationship which implies that a change made in one variable will positively motivate the other variable.

The correlation results in Table. No 11 shows that price and customer satisfaction are positively and significantly correlated and this simply implies that attractive price offer leads to customer satisfaction and enhance high level of customer satisfaction. Accordingly we can conclude that there is a positive relationship between price and customer satisfaction.

4.4 Regression Analysis

Regression analysis was conducted to understand by how much the marketing mix strategies which are Product, Price, Promotion and Place explains the dependent variable (Customer Satisfaction).

4.4.1 Multi co-linearity test

According to Brooks (2008), Multi co-linearity occur when some or all of the independent variables are highly correlated with one another According Burns and Bush (2003), the VIF is a single number, and a rule of thumb is that as long as the VIF is less than 10, multi co-linearity is not a concern. With a VIF of greater than 10 associated with any independent variable in the multiple regression equation, it is prudent to remove that variable from consideration or to otherwise reconstitute the set of independent variables The multi co-linearity below indicates that the value of VIF of all independent variables is less than 10, so multi co-linearity is not a concern and therefore multiple regression findings holds true.

Table 10 Co- Linearity Statistic

Coefficients[a]

Model		Collinearity Statistics	
		Tolerance	VIF
1	Product	.288	3.476
	Price	.503	1.989
	Promotion	.268	3.732
	Place	.296	3.383

a. Dependent Variable: CS

Source: survey result, (2020)

Product has (.288 tolerance and 3.476 VIF) value, Price (.503 tolerance and 1.989 VIF), Promotion (.268 tolerance and 3.732 VIF) and Place (.296 tolerance and 3.383 VIF) value. Since the VIF of all the variables are less than 10 and all the tolerance (T) level values are greater than 0.1, there is no a multi co-linearity problem and multi co-linearity is not an issue in this study.

4.5 Multiple Regression Analysis

Regression analysis was used to see how much the independent variable; product and price influences the dependent variable customer satisfaction of SSADI products.

Table 11 Model Summary

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.882[a]	.777	.775	.41270

a. Predictors: (Constant), Plac, Pri, Pdct, Prom

b. Dependent Variable: CS

Source: survey result, (2020)

The adjusted R square tells us the total variability in the dependent variable (Customer Satisfaction) that is explained by the independent variables, in this case, product, price, promotion and place. Table 11 presents a summary of the model in which the item of interest is the adjusted R2 statistics, which is interpreted as about 77.5 % of the total variability in customer satisfaction is explained by the model or by the four marketing mix strategies and the remaining 22.5% of the variance in customer satisfaction may be explained by other factors.

4.6 ANOVA Analysis

Table 12 ANOVA Analysis

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	225.526	4	56.382	331.036	.000[b]

	Residual	64.551	379	.170		
	Total	290.077	383			

a. Dependent Variable: CS

b. Predictors: (Constant), Plac, Pri, Pdct, Prom

Source: survey result, (2020)

ANOVA tells the overall goodness of fit of the model. Table No. 12 using ANOVA shows a significant value of 331.036 for the F distribution with 4 and 379 df. The F-test can be taken as a measure of overall model significance of the estimated regression, indicates that the p- value is less than 0.05 which implies that a significant relationship exists between the selected variables in this model.

The following Table No, 13, coefficient table illustrates the effect of marketing mix strategies on customer satisfaction. At this point using this multiple regression coefficient results, the proposed hypotheses for this study were tested as follow.

Table 13 Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.141	.098		-1.438	.151
	Product	.280	.052	.279	4.136	.000
	Price	.336	.038	.321	5.998	.000
	Promotion	.215	.047	.187	5.964	.000
	Place	.225	.047	.205	7.195	.000

1. Dependent Variable: Customer Satisfaction

Source: Survey result, (2020)

Y=*0.141+0.280pdct+0.336pri+0.215prom+0.225plac*

Table No. 13 above presents the result of the model predicting customer satisfaction with the variables of product,price,promotion,and place. All variables has a positive effect at 95% confidence level. Unstandardized coefficient (βeta value) indicates the degree of importance of each determinant factor variables towards customer satisfaction.

The interpretations of the significant independent variables are:

- If SSADI produce product that satisfy customer product increased by 1%, the level of customer satisfaction increases by 28%.
- If SSADI offer price that satisfies customer price increases by 1%, the probability of customer satisfaction increases to 33.6%.
- If SSADI use best promotional strategy promotion increase by 1%, the probability of customer satisfaction increases by 21.5%.
- If customers are satisfied with the distribution of SSADI products increases by 1 %, the probability of customer satisfaction increases by 22.5%.

Among the four variables, price has the highest important effect on customer satisfaction. Thus SSADI should implement its price strategy consistently.

4.8 Hypothesis Testing

At this point using this multiple regression coefficient results, the proposed hypotheses for this study were tested as follows.

H1o: Product strategy has no significant and positive influence on customer satisfaction.

H1a: Product strategy has a significant and positive influence on customer satisfaction.

The result of multiple regression analysis in Table No. 13 above clearly indicates that in SSADI product has significant effect on customer satisfaction($p<0.01$). Beside the value of beta ($\beta = 0.280$) shows the positive effect of product on customer satisfaction. The above result supported by Mulugeta (2015) and Oberiri (2016) it was reported that product has a positive relationship with customer satisfaction. Hence, the null hypothesis is rejected and the alternative hypothesis is accepted.

H2o: Price strategy has no significant and positive influence on customer satisfaction.

H2a: Price strategy has a significant and positive influence on customer satisfaction.

According to Table No. 13, price has positive and significant effect on customer satisfaction ($p<0.05$) in SSADI with the value of beta (β =0.336). The above result is supported by Foster (2017) which indicated that price has significance and positive relationship on customer satisfaction. Therefore the null hypothesis is rejected.

H3o: Promotional strategy has no significant and positive influence on customer satisfaction.

H3a: Promotional strategy has a significant and positive influence on customer satisfaction.

The result of multiple regression analysis in Table No. 13 above clearly indicates that in SSADI promotion has significant effect on customer satisfaction ($p<0.05$). Beside the value of beta (β = 0.215) shows the positive effect of promotion on customer satisfaction. The above results by Shuvrangshu (2019), it was found that the promotion had a strong significant correlation to the levels of customer satisfaction. Hence, the null hypothesis is rejected and the alternative hypothesis is accepted.

H40: Place strategy has no significant and positive influence on customer satisfaction.

H4a: Place strategy has a significant and positive influence on customer satisfaction.

As far as Table No. 13 is concerned, it reveals that value has a significant effect on customer satisfaction ($p<0.05$) in SSADI with the value of beta (β = 0.225) which indicates the positive effect on customer satisfaction. The above result by Mulugeta (2015) was reported that place has significant and positive relationship on customer satisfaction. Hence, the null hypothesis is rejected and the alternative hypothesis is accepted.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDAIONS

From the analysis and data collected, the following summary, conclusion and recommendations were made. The response was based on the objective of the study. The research pursues to establish the effect of marketing mix strategy on customer satisfaction of SSADI.

5.1 Summary of findings

By undertaking a detailed analysis of the situation, the following findings were obtained.

- ❖ The demographic information of the respondents, indicated majority of the respondents (52.3%) were females and (47.1) were males and also majority of the respondents (61.2%) are youngsters (24-34). The table also showed majority of the respondents were degree holders (58.1%). Beside majority of the respondents (72.1%) were employed.

- ❖ Majority of the respondents agreed with the four marketing mix strategies by giving higher rate of scale to price (mean =3.2132, SD =.79254), followed by place(mean=3.1621, SD = .83098), product(mean = 3.1418, SD =.75647), promotion (mean =2.9969, SD = .86811).This implies that the majority of the respondents are moderate/neutral on the satisfaction of SSADI marketing mix strategies.

- ❖ All variables were positively and significantly correlated with the dependent variable i.e. customer satisfaction at 95 percent confidence level ($P<0.01$). The highest correlation was occurred between price and customer satisfaction with the value of 0.791. This was followed by place with correlation of 0.758, while product was 0.784. Finally the lowest correlation was recorded by promotion with the value of 0.695.

- ❖ The multi co-linearity test result shows that the independent variables do have a linear relation with the dependent variable. In the previous chapter, the computation shows there is no multi co-linearity problem between the variables.

- The result of multiple regression indicated that of the four variables of marketing mix strategies. The study was conducted on a 95% level of confidence i.e. P value less or equal to 5%. The result shows that the model tested is significant ($p<0.05$). The multiple R is .882, R square 0.777 and adjusted R square 0.775 indicates that 77.5% that variance in the dependent variable (customer satisfaction) can be explained/predicated from the independent variables. Means the random variation of the error term explains around 22.5% of the variation of the independent variation. Or the remaining 22.5% of the variance in customer satisfaction may be explained by other factors.

- The unstandardized beta value for price was $\beta = 0.336$. This indicated that, the dimensions have relatively strong degree of importance on customer satisfaction. Product, Promotion and place had βeta value of 0.280, 0.215 and 0.225 respectively. Therefore the finding revealed that, price was the most dominant dimension in affecting customer satisfaction in SSADI.

- Based on the multiple regression coefficient results, customer satisfaction is positively influenced by marketing mix strategies. Thus, the proposed hypotheses that were tested for this study were accepted.

5.2 Conclusions

The primary aim of this research study is to examine the effect of marketing mix strategies on customer satisfaction in case of SSADI PLC. A total of 384 samples were selected for the study. Accordingly, the study used the four marketing mix tools. The data found from the respondents was analyzed using various statistical tools.

According to the Pearson's correlation result, it is indicated that there is a positive and significant relationship between the marketing mix strategies and customer satisfaction. For that reason, price is found to have the highest correlation with customer satisfaction. Additionally, price has the highest beta value (.336) on the regression model and is the main factor with the highest impact on customer satisfaction.

The correlation result indicated that the highest correlation was on price followed by product, place and promotion respectively. Thus the change in one of the factors will positively affect the other marketing mix strategies. The lowest correlation was recorded by promotion with the value of 0.695. It also has week but positive relationship with customer satisfaction.

In terms of stated research hypotheses the following findings appeared from the examination: The four marketing mix strategies which are product, price, promotion and place have positive and significant effect on customer satisfaction. The finding of this study also indicated that price is the most important factor to have a positive and significant effect on customer satisfaction followed by product, and place.

The result of marketing mix strategies variables on customer satisfaction analysis showed that SSADI must do more on its promotional practices to satisfy its customers. In addition the finding from the multiple regression result indicates that all 4P's have a positive and significant effect on customer satisfaction and price is the dominant strategy which affects customer satisfaction.

5.3 Recommendations

Based on the conclusion drawn in the previous section, the following recommendations are proposed for SSADI to help improve marketing mix strategies so that it increases customer satisfaction

Price has the highest effect on customer satisfaction. However, promotion indicated that SSADI has lowest effect to satisfy customers. Therefore, SSADI should give more attention to its promotional practices to satisfy its customers and try even more to exceed and delight their customers.

Product has positive significant effect on customer satisfaction next to price. Therefore, it is recommended that, to increase customer satisfaction, SSADI should invest on updating its products that it provides to its customers. When providing the products it must provide benefits and also provide excellent quality products consistently with a matching price. This could help the company to have not only satisfied customers but also a delighted retained customer.

Since promotion has relatively low positive effect on customer satisfaction SSADI must give attention to improve its promotional practice. It is recommended that, to satisfy customers, SSADI need to make improvement on its promotional practice by frequently updating its promotional practice, promote its product through various Medias, use different promotional channels to inform about its products.

Place also has positive and significant effect on customer satisfaction. Therefore, SSADI should continuously improve its place strategy since customer satisfaction also depends on the timely delivery and easily accessibility of the products SSADI should give attention needed to customer's delivery expectation.

References

Ahmed, S. and Rahman, M., 2015. The effects of marketing mix on consumer satisfaction: A literature review from Islamic perspective. *Turkish Journal of Islamic Economics*, 2(1), pp.17-3.

Al Qaysi, S.J. and Zainal, B.A., 2018. The impact of Marketing Strategy on Customer Satisfaction for E-learning: A Marketing strategies Model Approach. *International Journal of Computer Science and Information Security (IJCSIS),* 16(10).

Armstrong, G., 2009. *Marketing: an introduction*. Pearson Education.

Ateba, B.B., Maredza, A., Ohei, K., Deka, P. and Schutte, D., 2015. Marketing mix: it's role in customer satisfaction in the South African banking retailing.

Belch, G., E., & Belch, Michael. A.(2012). Advertising and promotion: an integrated marketing communications perspective.

Broderick, A. and Pickton, D., 2005. *Integrated marketing communications*. Pearson Education UK.

Collins, M. and Parsa, H.G., 2006. Pricing strategies to maximize revenues in the lodging industry. *International Journal of Hospitality Management*, 25(1), pp.91-107.

Ebitu, E.T., 2016. Marketing strategies and the performance of small and medium enterprises in Akwa-Ibom State, Nigeria. *British Journal of Marketing Studies*, 4(5), pp.51-62.

Ehrenberg, A.S., Hammond, K. and Goodhart, G.J., 1994. The after-effects of price-related consumer promotions. *Journal of advertising Research*, 34(4), pp.11-22.

Ferrell, O.C. and Hartline, M., 2012. *Marketing strategy, text and cases.* Nelson Education.

Gamliel, E. and Herstein, R., 2011. To save or to lose: does framing price promotion affect consumers' purchase intentions?. *Journal of Consumer Marketing.*

Harker, M.J., 1999. Relationship marketing defined? An examination of current relationship marketing definitions. *Marketing intelligence & planning.*

Hirankitti, P., Mechinda, P. and Manjing, S., 2009. Marketing strategies of thai spa operators in bangkok metropolitan.

Jamal, A. and Naser, K., 2003. Factors influencing customer satisfaction in the retail banking sector in Pakistan. *International Journal of commerce and management*, 13(2), pp.29-53.

Johansson, J.K., 2000. Global Marketing-Foreign Entry, Local Marketing, and Global Management, Johansson. *International Edition*, 33(5), pp.569-583.

Kothari, C.R., 2004. *Research methodology: Methods and techniques.* New Age International.

Kotler, P. and Armstrong, G., 2010. *Principles of marketing*. Pearson education.

Kotler, P., 2002. Marketing management: Analysis, planning, implementation and control.

Kotler, P. and Lee, N., 2008. Social marketing: Influencing behaviors for good. Sage.Kurtz, D., Boone (2007). *Principles of Contemporary Marketing 14th Edition".* US: Thomson South Western.

Lamb, C., Hair, J.M. and Daniel, M., C., (2009). *Essentials of Marketing, South-Western: Cengage Learning.*

Li, S., Sun, Y. and Wang, Y., 2007. 50% off or buy one get one free? Frame preference as a function of consumable nature in dairy products. *The Journal of Social Psychology*, 147(4), pp.413-421.

London, T. and Hart, S.L., 2004. Reinventing strategies for emerging markets: beyond the transnational model. *Journal of international business studies*, 35(5), pp.350-370.

McCarthy, E. Jerome and William D. Perreault, Jr. (1993), *Basic Marketing: A Global Managerial Approach,* Homewood, IL:Irwin.

McDonald, M., 2010. A brief review of marketing accountability, and a research agenda. *The Journal of Business and Industrial Marketing*, 25(5), pp.383-394.

Michael, B., 2008. The Strategic Marketing Plan Audit. *IThome. Retrieved January,* 22, p.2016.

Nagle, T.R., Holden.(1995). The Strategy and Tactics of Pricing: A Guide to Profitable Decision Making.

Nagle, T.T. and Holden, R.K., 2012. *The strategy and tactics of pricing.* Routledge.

Oberiri, A.D., 2016. Impact of Marketing Strategies on Customers' Satisfaction in Nigeria Bottling Company (NBC) Yola Depot (2008-2016). *Journal of Marketing and Consumer Research*, 7, pp.35-54.

Ouwersloot, J. and Duncan, T., 2008. Integrated marketing communication-European edition.

Porter, M.E., 1997. Competitive strategy. *Measuring business excellence*.

Pranulis, V., Pajuodis, A., Urbonavičius, S. and Virvilaitė, R., 2012. Marketingas: mokomoji knyga. *Vilnius: Eugrimas.*

Pride, W. and Ferrell, O.C., 2010. *Marketing express*. Nelson Education.

Rahnama, R. and Beiki, A.H., 2013. Modern marketing, concepts and Challenges. *Arabian Journal of Business and Management Review (OMAN Chapter)*, 2(6), p.143.

Ranger, N., 2010. Brand Management: Research, Theory and Practice. *Journal of Customer Behaviour*, 9(1), pp.89-91.

Saunders, M., Lewis, P. and Thornhill, A., 2009. *Research methods for business students*. Pearson education.

Semenik, R.J. and McCollough, M.A., 2002. Promotion & integrated marketing communications: Test bank. South-Western Thomson Learning.

Sekaran, U., 2003. Towards a guide for novice research on research methodology: Review and proposed methods. *Journal of Cases of Information Technology*, 8(4), pp.24-35.

Singh, M., 2012. Marketing mix of 4P's for competitive advantage. IOSR Journal of Business and Management, 3(6), pp.40-45.

Sinha, I. and Smith, M.F., 2000. Consumers' perceptions of promotional framing of price. *Psychology & Marketing*, 17(3), pp.257-275.

Shimp, T.A., 2003. Advertising, Promotion and Supplemental Aspects of IMC. *Pub by Harcourt Inc, New York.*

Wang'ondu, A.W., 2016. *Marketing Strategies and Customer Satisfaction*: *A Case Study of the Institute Of Executive Coaches–East Africa* (Doctoral dissertation, United States International University-Africa).

Yeshin, T., 2006. *Sales promotion*. Cengage Learning EMEA.

Zikmund, W.G., Babin, B.J., Carr, J.C. and Griffin, M., 2003. Research methods. *Health economics research method*, 2.

APPENDIX

QUESTIONNAIRES DISTRIBUTED FOR CUSTOMERS OF STAR SAOP AND DETERGENT INSUDTRIES (SSADI) PLC

ADDIS ABABA UNIVERSITY COLLEGE OF BUSINESS AND ECONOMICS GRADUATE PROGRAM MASTERS OF BUSINESS ADMINISTRATION

Q. code ☐

Dear Respondents:

My name is Zahra Ahmed. I am a post graduate student of business administration program. This questionnaire is designed to collect data for the research titled "The Effect of Marketing Mix Strategy on Customer Satisfaction: in the case of SSADI PLC". Therefore, this is to request your kind cooperation in filling out the questionnaire and I would like to assure you that all the data gathered will be held confidential and will be used for the intended academic purposes only. I would like to express my heartfelt gratitude for your time, willingness and kind support in filling out the questionnaire. Your honest response and due attention are very much essential to complete the questionnaire. Please attempt to answer all the questions and tick the appropriate box that best suits your perspective for each statement.

SECTION ONE: DEMOGRAPHIC PART

INSTRUCTION: This part of the questionnaire covers the personal and job related background information. Please respond to each question by putting a tick **"✓"** sign the choice that represents your personal profile

I. 1. Gender
Male ☐ Female ☐

II. Age

18-24 ☐ 25-34 ☐ 35-44 ☐ 45-54 ☐ ☐-64 ☐

III. Education Background

High school ☐ Diploma ☐

Degree ☐ Masters and Above ☐

IV. Occupation

Student ☐ Unemployed ☐ Employed ☐ Personal Business ☐

Section Two: Question related with Marketing mix strategies (Independent variables)

Please encircle the number and the word which expresses your opinion towards Star Soap and Detergent Industries PLC. The number indicates the following statement.

Directions (1- strongly Disagree 2- Disagree 3-Neutral 4-Agree 5-Strongly agree)

No	Questions	Choose				
I. Product						
5	I remind SSADI's product first to buy detergent products.	1	2	3	4	5
6	SSADI provides variety of detergent products.	1	2	3	4	5
7	SSADI has better product quality than other detergent products.	1	2	3	4	5
8	SSADI has consistency in product quality.	1	2	3	4	5
9	SSADI adds unique features in the existing products.	1	2	3	4	5
10	The labeling of SSADI products is clear for customers to understand.	1	2	3	4	5
11	The packaging of SSADI products is attractive and easy to handle.	1	2	3	4	5
12	SSADI provides additional service for its products.	1	2	3	4	5
II. Price						
13	SSADI charge reasonable price for its products.	1	2	3	4	5
14	SSADI products price is lower than other detergent company's products.	1	2	3	4	5
15	SSADI offers discount and incentives.	1	2	3	4	5
16	SSADI price is comparable to other detergent company's products.	1	2	3	4	5
17	SSADI provide credit terms for its customers.	1	2	3	4	5
18	SSADI payment periods are convenient.	1	2	3	4	5
III. Promotion						
19	SSADI promotional activities are frequently updated	1	2	3	4	5
20	SSADI use sales persons, retailers and distributers to inform	1	2	3	4	5

	about their products.					
21	I am able to know well about the product through various media.	1	2	3	4	5
22	SSADI use different promotional channels to inform about their products.	1	2	3	4	5
23	The promotional activity of SSADI is ethical.	1	2	3	4	5
IV. Place/Distribution						
24	SSADI products are easily accessible and convenient.	1	2	3	4	5
25	I have strong reliance on the distributors of SSADI.	1	2	3	4	5
26	I believe that the availability of SSADI is high when compared with other detergent products.	1	2	3	4	5
27	SSADI provides delivery.	1	2	3	4	5
V. Customer Satisfaction						
28	I am satisfied with the product offer of SSADI and meet my needs and expectations.	1	2	3	4	5
29	I am satisfied with the price offer of SSADI and meet my price expectation.	1	2	3	4	5
30	I am satisfied with the promotional activities of SSADI.	1	2	3	4	5
31	SSADI products are available and are delivered on time to meet my delivery expectation.	1	2	3	4	5

Thank you again for your cooperation!!