

**ST.MARY'S UNIVERSITY COLLEGE
FACULTY OF BUSINESS
DEPARTMENT OF MARKETING MANAGEMENT**

**AN ASSESSMENT OF THE CUSTOMER RELATIONSHIP MANAGEMENT:
THE CASE OF
MULTICHIOCE ETHIOPIA**

BY:

LINDA TSEGAYE

JUNE 2013

SMUC

ADDIS ABABA

**ASSESSMENT OF THE CUSTOMER RELATIONSHIP MANAGEMENT: THE CASE OF
MULTICHIOCE ETHIOPIA**

**A SENIOR ESSAY SUBMITTED TO THE
DEPARTMENT OF MARKETING MANAGEMENT
BUSSINESS FACULTY
ST. MARY'S UNIVERSITY COLLEGE**

**IN PARTIAL FULFILMENT OF
THE REQUIREMENTS FOR THE DEGREE OF BACHELOR OF ARTS
IN MARKETING MANAGEMENT**

**BY
LINDA TSEGAYE**

**JUNE, 2013
SMUC**

ADDIS ABABA

ST. MARY'S UNIVERSITY COLLEGE

**AN ASSESSMENT OF THE CUSTOMER RELATIONSHIP MANAGEMENT:
THE CASE OF
MULTICHIOCE ETHIOPIA**

BY:

LINDA TSEGAYE

FACULTY OF BUSSINESS

DEPARTMENT OF MARKETING MANAGEMENT

APPROVED BY THE COMMITTEE OF EXAMINERS

Department Head

Signature

Advisor

Signature

Internal Examiner

Signature

External Examiner

Signature

ACKNOWLEDGEMENTS

First I would like to thank my advisor w/ro Hilina Mohammed for all support that she has given to me during the paper work. Without her support and corrective comments, I would not be able to complete this paper successfully.

Secondly I would like to acknowledge the support and encouragement of my mom, Mekeds Workneh, my husband Samuel Shimeles, my daughters and my parents to my success.

This thesis work was made possible by the helpful input of Multichoice Ethiopia.

I am also grateful to Ato Dawit Bezu whose advice of this thesis work contributed immensely to its success.

I would also like to express my gratitude to all those who have not been mentioned in this thesis work but assisted in one or many ways to complete this thesis.

Thank You!!

TABLE OF CONTENTS

CHAPTER ONE	PAGE
1.1 Background of the Study	1
1.2 Statement of the Problem	2
1.3 Research Question	3
1.4 Objectives of the Study	3
1.4.1 General Objectives	3
1.4.2 Specific Objectives	3
1.5 Significance of the Study	3
1.6 Delimitation of the Study	4
1.7 Definition of Terms	4
1.8 Research Design and Methodology	4
1.8.1 Research Design	4
1.8.2 Population and Sampling Techniques	4
1.8.3 Types of Data Collected	5
1.8.4 Methods of Data Collection	5
1.8.5 Data Analysis Methods	6
1.9 Limitation of the Study	6
1.10 Organization of the Paper	6
 CHAPTER TWO	
2.1 Overview of Customer Relationship Management	7
2.1.1 Definition of Customer Relationship Management	7
2.1.2 Types of Customer Relationship Management	8
2.1.3 Importance of Customer Relationship Management	10
2.1.4 Objectives of Customer Relationship Management	12

2.1.5	Evolution of Customer Relationship Management	12
2.1.6	Customer Relationship Management System	13
2.2	Factors Affecting Customer Relationship Management	13
2.2.1	Customer Handling Problem	13
2.2.2	Effective Complaint Handling	14
2.2.3	Dealing with Complaining Customer	15
2.2.4	Tracking Customer Satisfaction	15
2.2.5	Effective Complaints Handling Process Complaint	16
2.2.6	Source of Complaints	17
2.2.7	Methods of Customer Complaints Handling	17
2.3	Challenges of Customer Relationship Management Implementation	17
2.3.1	Key Challenges in Customer Relationship Management Implementation	17
2.4	Customer Relationship Management to the Company Performance	18
2.4.1	Designing Customer Relationship Management Strategy	19
2.4.2	Monitoring Customer Relationship Management	19
2.4.3	Motivation of Employee and Training	20
2.4.4	Methods of Motivation	20
2.4.5	Sales Force Motivation	21
CHAPTER THREE		
3.1	General Characteristics of Respondent	22
3.2	Analysis of the Questionnaire Given to Respondents	
	Directly Related to the Study	26
3.2.1	Level of Satisfaction	26
3.2.2	Employee Handling in Multichoice Ethiopia	27
3.2.3	Relationship Between Company and Employee	28
3.2.4	For Decoder Maintenance	30
3.2.5	For Customer Service Department	30
3.2.6	Complaint Handling	31
3.2.7	Service Delivery	32
3.2.8	Customer Relation Improvement	34

3.2.9 Issues Regarding Decoder Maintenance	35
3.2.10 Account Disconnection	36
3.3 Customer Respondents Opinion	37
3.4 Interview with Marketing Manager	37

CHAPTER FOUR

4.1 Summary	40
4.2 Conclusion	45
4.3 Recommendation	47

List of Tables	Pages
Table 1 General Characteristics.	23
Table 2 Level of Satisfaction	26
Table 3 Employee Handling in Multichoice Ethiopia	27
Table 4 Relationship between the Company and Employee	28
Table 5 For Decoder Maintenance	29
Table 6 Complaint Handling	31
Table 7 Service Delivery	32
Table 8 Customer Relation Improvement	34
Table 9 Issues Regarding Decoder Maintenance	35
Table 10 Account Disconnection	36

CHAPTE ONE

INTRODUCTION

1.1 Background of the Study

Kotler and Keller (2009:133) Customer relationship management is the process of carefully managing detailed information about individual customer and all customer “touch points” to maximize customer loyalty. The company must become proficient at customer relationship management. Customer relationship management allows the company to respond appropriately, coherent, & quickly to different customer opportunities. Relationship marketing aims to building mutually satisfying long-term relationships with key parties in order to earn and retain their business. Firms in their quest for establishing sound relationship with customers have to ascertain that the target of maximum customer satisfaction should be achieved in the most efficient way. Customer relationship management seeks to open the doors for various fruitful tasks that go a long way in earning the most for firms (Morga and Anand, 2003:547).

Customer relationship management has focus on align the business process with store strategies employed by the firm. Customer relationship management is a very useful process if and only if the company appropriately utilizes it. It allows companies together customer data swiftly, identify the most valuable customers and overtime, and increase customer loyalty by providing customized products and services. It also reduces the cost of serving these customers and makes it easier to acquire similar customers. (Christopher and Jochen, 2005: 381-400). According to Kotler (2006:365) “Customer relationship management is perhaps the most important concept of modern marketing until recently, customer relationship management has been defined narrowly as a customer data management detailed information about individual customers and carefully managing customer “touch points” in order to maximize customer loyalty.”

Multichoice Ethiopia has established as a franchise in February 2000 and has a rapidly growing subscriber base, driven primarily by high demand for coverage of sports provided by super Sport, up-to-date news coverage, children programs, documentaries and premium movies. The head office is based in Addis Ababa, the diplomatic capital of Africa, where Multichoice

Ethiopia provides premium television services to a truly cosmopolitan mix of subscribers. Multichoice Ethiopia has 32 employees and is supported by a team of 139 installers who market and sell digital satellite TV. Its branch resides at the center of Merkato which is the biggest in Africa. And its service is supported by 24 agents who provide additional points of presence across the country, including major towns like Bahir Dar, Gonder, Hawassa, Jimma, Dire Dawa, and Mekele.

Multichoice Ethiopia gives efficient, high quality audiovisual service with modern technologies. The existing customer relationship management of Multichoice Ethiopia focuses up until the service delivery and gives little concern for matters that come after the transaction is completed. Thus to increase the number of subscribers and meet customer satisfaction the student researcher believes that further investigation on customer relationship management is crucial.

1.2 Statement of the Problem

Customer relationship management benefits do not come without cost or risk, not only in collecting the original customer data but also in maintaining and mining it. An estimated half or more of all customer relationship management efforts fail to meet their objectives. The most common cause of customer relationship management failures is that companies mistakenly view customer relationship management only as a technology and software solution, but technology alone cannot build profitable customer relationship (Kotler, 2006:365).

During the preliminary study for the paper the student researcher was able to observe many of customers' complaints like delay of decoder (receiver) maintenance, slow system, disconnect accounts before due date, faulty decoders and the like. Thus the study assessed Multichoice Ethiopia's customer relationship management and the major factors for customers' complaint, to indicate ways on how to minimize complaints and meet customer satisfaction.

The fact that the customer relationship management of Multichoice Ethiopia has made efforts to satisfy customers through services given by the regularly trained and skilled manpower and strives to excel its services in terms of customer relation like other Multichoice Africa branch however Multichoice Ethiopia is a monopoly company, the reality is that company does not seem to give more attention to complaints/dissatisfied customers, the student researcher believes

that there is a big gap between the customer and Multichoice Ethiopia regarding customer relationship management such as customer complaints handling, service delivery, maintenance delay, absence of service improvement and the like.

1.3 Research Question

The research result tried to answer the following questions:

- What is the role of customer relationship management of the company in terms of number of subscribers?
- How does the company handle customer complaints?
- What are the major problems that customer service department faces?
- What is the contribution of customer relationship management to the performance of the Multichoice Ethiopia?

1.4 Objective of the Study

This paper has general and specific objectives.

1.4.1 General Objective

The overall objective of the study was to assess customer relationship management of Multichoice Ethiopia.

1.4.2 Specific Objectives:

- To determine the roles of customer relationship management for the company in terms of number of subscribers.
- To describe ways of complaint handling.
- To identify the major problems that the customer service department face on daily basis.
- To assess customer relationship management's contribution on the performance of Multichoice Ethiopia.

1.5 Significance of the Study

The research result will be significant for the following parties:

- The recommendation from this paper will benefit the company to solve problems regarding customer relationship.

- It will also have significance for the student researcher to implement and analyze the theoretical applications in real world.
- The student researcher believes this paper will be helpful to improve customer relationship in other related companies too.
- Finally this paper will help other researchers to use as a base in conducting further research in this area.

1.6 Delimitation of the Study

This study concentrated on the customer relationship management on head office of Multichoice Ethiopia which it's located around bole; because there is high number of customer flow at bole. Among the departments of the company the study only focuses on customer service. Due to use updated data regarding the study matter, the student researcher consider the past five years (2008-2012 G.C).

1.7 Definition of Terms

Franchise: – a practice of using another firm's successful model. It is an alternative to building chain stores to distribute goods that provide that avoids the investment and liability of chain.

Digital satellite: - is the assumed initialism expansion of the digital satellite television transmission system used by direct TV.

1.8 Research Design and Methodology

1.8.1 Research Design

In order to assess the existing customer relationship management of Multichoice Ethiopia, the student researcher was used descriptive research method as it helps to describe the outcomes and findings of the research.

1.8.2 Population and Sampling Technique

Population

- The student researcher collected relevant information to the study, which is specifically concerned with customer relationship management.

Marketing, technical and customer service department employees and marketing manager that are related to customer relationship management were the target populations. More over customers of Multichoice Ethiopia were also included.

Sample Size

The student researcher found it very difficult to determine the exact number of customers of Multichoice Ethiopia and it was also impossible to determine the sample frame. Therefore, the student researcher has included the minimum sample size based on Malhotra (2007:364-385), “when there is no sample frame, the minimum Sample Size should be taken on service are 200.”

Regarding the company’s employee, the student researcher was focused on a total number of 16 employees among those six of them were taken from marketing, two from technical and eight from customer service departments who have a direct contact with customers.

Sampling Technique

The student researcher has applied a non-probability sampling which are:-

- Accidental/Convenience sampling for the customers by considering customers who comes to the head office in person. The student researcher used this method to address homogeneous types of customers
- Purposive/Judgmental sampling is used to address employees of Multichoice Ethiopia that have direct relation with customer relationship management by using my exposure.

1.8.3 Types of Data Collected

For the fulfillment of the study the student researcher was gathered both primary and secondary data. Primary data were collected through questionnaire and interview. Secondary data were collected for membership department affairs record, relevant books, internet and reports presented by Multichoice Ethiopia.

1.8.4 Methods of Data Collection

Quantitative data has obtained through open ended and close ended questionnaires given to customers and interviews were also conducted with the head of membership affairs department to collect qualitative data. Secondary data were collected by referring books, internet and journals etc to figure out and study deeply about the customer relationship management of Multichoice Ethiopia.

1.8.5 Data Analysis Methods

The data collected using primary source has been analyzed. The quantitative data collected via questionnaire was analyzed by using tabulation and percentage. However the data obtained through interview was narrated qualitatively.

1.9 Limitation of the Study

The student researcher faced limitations that might affect proper achievement of study objectives, which include:

- Delayed, incomplete and also unwillingness of customer respondents to fill out the questionnaires.
- Insufficient resources that might help to support the literature review.

1.10 Organization of the Study

The general structure of the study consists of four chapters. The first chapter consists of introduction part, which is build-up the background of the study, significance of the study, delimitation, and research design of the study. The second chapter presents literature review which shows what have been done on customer relationship area from different books. The third chapter focuses on the analysis of data and interpretation of data findings. Finally the student researcher has her own summary, concluding remarks and recommendations are included in the last chapter.

CHAPTER TWO

Review of Related Literature

2.1 Overview of Customer Relationship Management

2.1.1 Definition of Customer Relationship Management

Customer relationship management has to be focused on align the business process with store strategies employed by the firm. Customer relationship management can be very useful if it works. It allows companies together customer data swiftly, identify the most valuable customers and overtime, and increase customer loyalty by providing customized products and services. It also reduces the cost of serving these customers and makes it easier to acquire similar customers (Christopher and Jochen, 2005: 381-400).

Timothy MR, (2002:11) Customer relationship management is an application that enables companies to make the move towards being a customer centered organization by putting the customer at the centre of all the information that relates to them and allowing authorized people within the organization to access the information. In a customer centered organization, salespeople would have access to all the information that affects their relationship with their customer. The conversations, the emails, the complaints, the complaint resolutions, all the information that had been sent to the customer, who else in the company the customer had spoken to everything that affects their ability to service the customer and sell more product or services to them.

According to Buttle.F (2009:15) “Customer relationship management is business strategy that integrates internal processes and functions, and external networks, to create and deliver value to target customers at a profit. It is grounded on high quality customer related data and enabled by information technology.”

The question of how best to analyze and use individual customer data presents special problems. Most companies are awash in information about their customers. In fact, smart

companies capture information at every possible customer touch points. These touch points include customer purchase, sales force contacts, service and support calls, website visits, satisfaction surveys, credit and payment interactions, market research studies every contact between the customer and the company (Armstrong 2006:15).

Kotler and Keller, (2009: 133) Customer relationship management is the process of carefully managing detailed information about individual customer and all customer “touch points” to maximize customer loyalty.

The company must become proficient at customer relationship management. Customer relationship management allows the company to respond appropriately, coherent, & quickly to different customer opportunities. Relationship marketing aims to building mutually satisfying long-term relationships with key parties in order to earn and retain their business.

Firms in their quest for establishing sound relationship with customers have to ascertain that the target of maximum customer satisfaction should be achieved in the most efficient way. Customer relationship management seeks to open the doors for various fruitful tasks that go a long way in earning the most for firms (Morga and Anand, 2003:547).

According to Kumar and Menakshi (2006: 550) “Customer relationship management is the thrust strategy for all the modern companies. A relationship needs to be so established and developed that asset pattern is realized on the basis of which the company can initiate its customer relationship management undertaking. Customer relationship management is only a means and not an end.”

Customer relationship management can be single strongest weapon you have as a manager to ensure that customer become and remain loyal. Customer relationship management is a comprehensive approach for creating, maintaining and expanding customer relationship management (Anderson and Kerr, 2002:1-2).

2.1.2 Types of Customer Relationship Management

They are three types of customer relationship management:

1. Operational Customer Relationship Management
2. Analytical Customer Relationship Management
3. Collaborative Customer Relationship Management (Malte and Annette 2005:104-106).

1. Operational Customer Relationship Management

The operational application of customer relationship management enables effective interaction with customers. For this purpose various tools are used. These contact management tools aim to reduce costs by improved process efficiency and use of media based communication channels. These are also aimed to provide customers with a consistent interface across all communication channels. To achieve this relevant customer data is collected and also displayed at all customer touch points. This is the customer master data. Another set of data where employees' contact with customers is also logged. This has information like topics discussed, customer requirements, soft customer data like hobbies, preferences, interests, details about children and other minor stuffs.

2. Analytical Customer Relationship Management

The data collected in operational management is analyzed to segment customers. The valuable information thus obtained is used to satisfy customers. Analytical customer relationship management is composed of:

- Pattern discovery component
- Product and customer analysis component
- Multitude component
- Sorting and customer fractionation component
- Customer value evaluation component

Analytical solutions provided for most companies are integrated view of customer across all channels and applications, campaign performance analysis, customer profitability analysis, cross-selling and up selling. The analytical solutions help answer questions like:

- Who are their best customers?

- Whom they are likely to lose?
- How to retain them?
- How to attract new customers?
- How to improve profitability of customers?

3. Collaborative Customer Relationship Management

The various departments of company like the sales, technical support, and marketing, share the information they collect about customers. The objective is to improve the quality of customer service and increase customer loyalty.

It allows the company to synchronize and manage efficient, productive interaction with customers, prospects, partners, and internal associates across all communication channels. The customers' viewpoint is taken care of at every transaction level thus enabling better service to the customer. Collaborative customer relationship management also reduces web service costs by enabling web collaboration (Malte and Annette 2005:104-106).

2.1.3 Importance of Customer Relationship Management

Belding (2001: 214) Customer relationship management solutions can help businesses increase their sales effectiveness, drive customer satisfaction, streamline business processes, identify and resolve bottlenecks, all of which directly contribute towards the bottom line revenue as well as assurance of repeat business. Customer relation management solutions are not just a nice-to-have but a necessity in a world where customer retention is of prime importance.

Keegan, Moriarty and Ducinan (1992:326) Customer relationship management is the strongest and the most efficient approach in maintaining and creating relationships with customers. Customer relationship management is not only pure business but also ideate strong personal bonding within people. Development of this type of bonding drives the business to new levels of success.

Once this personal and emotional linkage is built, it is very easy for any organization to identify the actual needs of customer and help them to serve them in a better way. It is a belief that more the sophisticated strategies involved in implementing the customer

relationship management, the more strong and fruitful is the business. Most of the organizations have dedicated world class tools for maintaining customer relationship management systems into their workplace.

Why a customer relationship management System is always important for an organization.

- Customers and to foresee customer needs effectively and increase business.
- Customer relationship management contains each and every bit of details of a customer, hence it is very easy to track a customer accordingly and can be used to determine which customer can be profitable and which not.
- A customer relationship management system is not only used to deal with the existing customers but is also useful in acquiring new customers. The process first starts with identifying a customer and maintaining all the corresponding details into the customer relationship management system which is also called an 'Opportunity of Business'. The Sales and Field representatives then try getting business out of these customers by sophisticatedly following up with them and converting them into a winning deal. All this is very easily and efficiently done by an integrated customer relationship management system.
- The strongest aspect of customer relationship management is that it is very cost-effective. The advantage of decently implemented customer relationship management system is that there is very less need of paper and manual work which requires lesser staff to manage and lesser resources to deal with. The technologies used in implementing a customer relationship management system are also very cheap and smooth as compared to the traditional way of business.
- All the details in customer relationship management system are kept centralized which is available anytime on fingertips. This reduces the process time and increases productivity.
- Efficiently dealing with all the customers and providing them what they actually need increases the customer satisfaction. This increases the chance of getting more business which ultimately enhances turnover and profit.

- If the customer is satisfied they will always be loyal to you and will remain in business forever resulting in increasing customer base and ultimately enhancing net growth of business (Malte and Annette 2005:114-115).

2.1.4 Objectives of Customer Relationship Management

Many firms have large numbers (often millions) of customers, many different touch points (for instance, tellers, call center staff, self service machines, and websites), at multiple geographic locations. At a single large facility, it's unlikely that a customer will be served by the same front line staffs on two consecutive visits in such situations; managers historically lacked the tools to practice relationship marketing. But today customer relationship management systems act as an enabler, capturing customer information and delivering it to the various touch points.

From a customer perspectives, well implemented customer relationship management systems can offer a "unified customer interface." which means that at each transaction the relevant account details knowledge of customer preferences and past transactions, or history of a service problem are at the finger tips of the person serving the customer. This can result in a vast service improvement. From company perspectives, customer relationship management systems allow the company to better understand, segment, and tier its customer base; better target promotions and cross-selling; and even implement systems that signals whether a customer is in danger of defecting (Christopher and Jochen 2005: 381-400).

2.1.5 Evolution of Customer Relationship Management

Customer relationship management is not a new venture for industrialists. It is a rudimentary concept of the pre-industry era. Today's effort has much to draw upon that period when the society was agrarian and there were no special customized ways of buyer seller interactions. The entire process of interaction was on a direct basis. A personal touch was ubiquitous in such an approach in which the seller could know the pulse of the buyers to come out with the exact offering to excel over their expectations (Malte and Annette 2005:114-115).

John, (1995:228) it was with the advent of the industrial era that this concept started being replaced by mass marketing. As the need for mass production was realized, a series of

intermediaries started coming up on the scene. Intermediaries had their own benefits to draw from such a way of doing business. But they could work only till the seller had his sovereignty. The day buyers become aware of their rights and gained dominance, the sellers were bound to switch over to something like a direct interaction. Now they have various techniques available to them that are usually governed by the e-system. Due to a direct interaction with every single customer, the organizations are constrained to providing the maximum customer satisfaction on an individual basis. By this they can feel the pulse of their customers and key accounting starts gaining ground.

Monga and Anan (2003:549) the relationship between the buyer and the seller become stronger if care is taken of the post-sales services by the origin. This enables it to establish a long- lasting bond with customer. This gives a reason the customers to revise the origin, each time making this relationship stronger. Another aspect that has fostered customer relationship management after the liberalization era is the change in the purchase behavior of the customers. They have gained exposure and the change in their life style has allowed them to become choosier and quality conscious.

2.1.6 Customer Relationship Management System

According to Christopher and Jochen (2004:378-399) “Service marketers have understood for some time the power of relationship management and certain industries have applied it for decades. Customer relationship management, costly and complex information technology systems and infrastructure and, signifies the whole process by which relationships with the customers are built and maintained.”

2.2 Factors Affecting Customer Relationship Management

2.2.1 Customer Handling Problem

The point is that companies have to check for the availability of any complaints either formally or informally, and if there is any, specification should be made as to its source. To handle the complaints of a customer who is casting foe the service, an offer where and/or a person to

whom the complaints would be for would need to be clearly known and located. “Thank Heavens for complainers” was provocative title of an article about customer complaining behavior, which also featured a successful manager exclaiming. The one I worry about are the problem (including some the firm may not even know it has), restore relationships with the complainer and improve future satisfaction for all (Denton.1989:1-2).

Christopher and Jochen (2004:378-399) Service recovery is an umbrella term for systematic efforts by a firm to correct a problem following a service failure and retain a customer’s goodwill. Service recovery efforts play a crucial role in achieving or restoring customer satisfaction. In every organization, things may occur that have a negative impact on its relationships with customer.

2.2.2 Effective Complaint Handling

Effective service recovery requires thoughtful procedures for resolving problems and handling disgruntled customers. It is critical for firms to have effective recovery strategy, because under the following conditions, even a single problem can destroy customer’s confidence in a firm.

1. The failure is totally outrageous (blatant dishonesty on the part of the supplier).
2. The problem fits a pattern of failure rather than being an isolated incident.
3. The recovery efforts are weak, serving to compound the original problem rather than correct.

The risk of defection is high, especially when a variety of competing alternatives are available (Christopher and Jochen, 2004:378-399).

2.2.3 Dealing with the Complaining Customer

Customers have the right to complain whenever they are dissatisfied with product and service they received. A complaint is any expression of dissatisfaction that may arise in the process of product or service delivery. This includes any indication of wrong doings and comments made by customers that need a response.

According to Monga and Anand (2006:553) “the following points are to advise the organization how they should behave with those that come to it with complaints:-

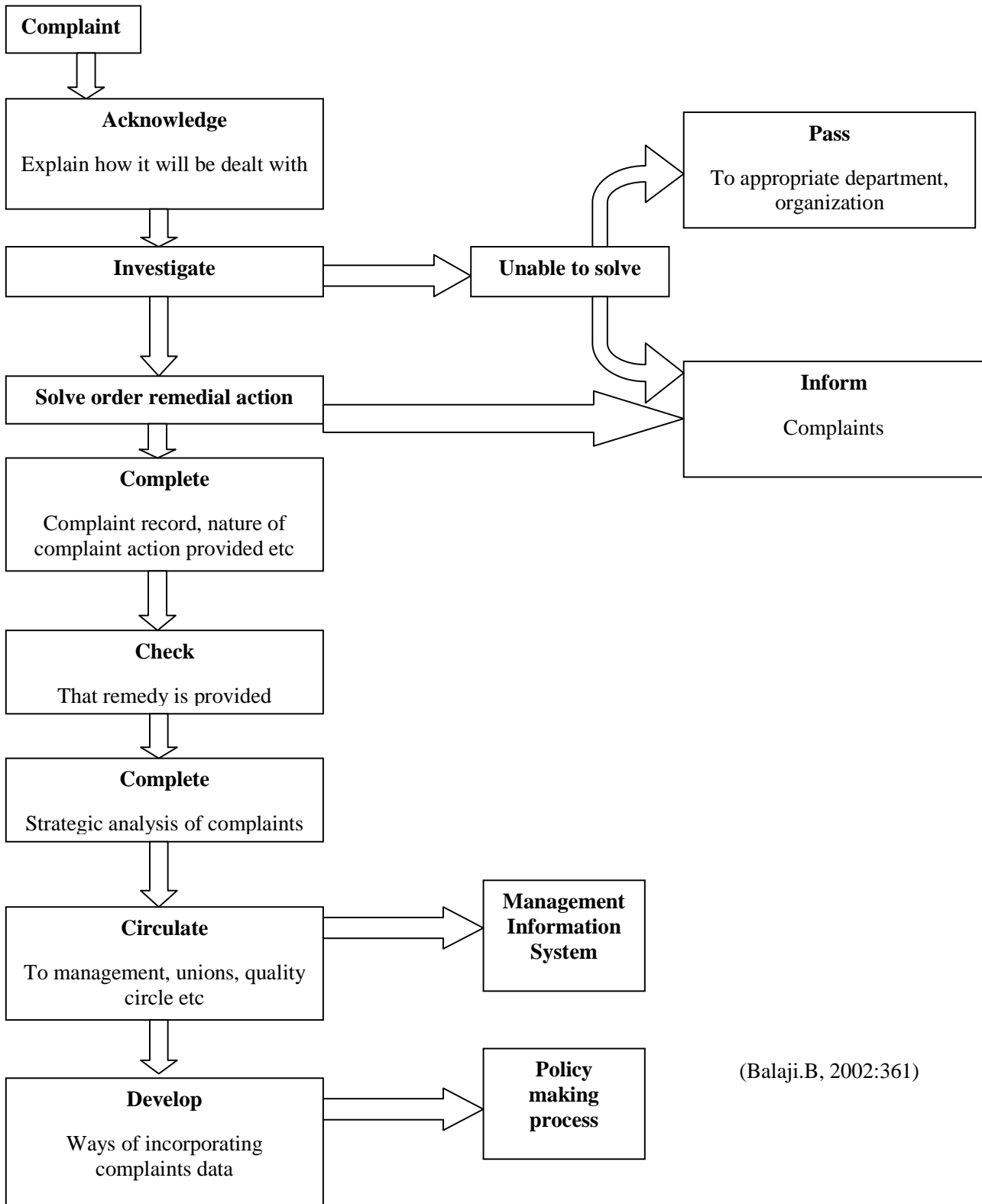
- Don't become important with such customers. Instead, show them that this time you are mistaken, but next time you will be not. This surely makes the customer visit the next time also. The snobbish of the customers will calm down once you are normal with them.
- Don't send the customer, back either without solving his problem or assuring him of the same to be solved in the near future. After the problem is solved it doesn't mean that the duty is over the organization has to be regularity in contact with him to know how satisfied he is with the solution.
- Don't argue with him publicly. He is the one who decides you business. If you make him feel embarrassed he will never shop at, but you will surely lose joints prospective customers.”

2.2.4 Tracking Customer Satisfaction

There are different tools for tracking of measuring customer satisfaction. It ranges from the most primitive to the sophisticated. In this regards, (Kotler and Armstrong, 2004:548) indicates three tools of tracking customer satisfaction these are:-

- Complaints and suggestion systems: - A customer centered organization makes it clear for customers to make suggestion or complaints. Many service companies provide forms on which guests can check of their likes and dislikes.
- Customer satisfaction survey: - By sending questionnaires or making telephone calls to a sample of relent customers to find out how they feel about various aspects of the company's performance. Finally, the company can ask respondents to list any problems they have with the offer and to suggest improvements.
- Customer Defection Analysis: - Companies should contract customers who have stopped buying or those who switched to competitors, to learn why this happened.

2.2.5 Effective Complaints Handling Process Complaint



(Balaji.B, 2002:361)

2.2.6 Source of Complaints

Christopher and Jochen (2005: 380) Research shows that on average, only five to ten percent of customers who have been unhappy with a service actually complain, generally only a minority of becoming better informed more self-confidence and more assertive about seeking satisfaction outcomes for their complaints.

2.2.7 Methods of Customer Complaints Handling

Recovering from service failures takes more than plausible expressions of determination to resolve any problems that may occur. It requires commitment, planning and clear guidelines. Specialty effective service recovery procedures should be:

- Proactive
- Planned
- Trained
- Empowered

(Christopher and Jochen, 2005: 378-399).

2.3 Challenges of Customer Relationship Management Implementation

2.3.1 Key Challenges in Customer Relationship Management Implementation:

➤ Defining Clear Objectives:

The organization should have a clear set of objectives which it would like to achieve through the Customer Relationship Management. These objectives need to be listed and defined as measurable metrics. Without doing so, the company can't assess the benefits or the Customer Relationship Management system.

➤ Appointing a Core Customer Relationship Management Team:

The Customer Relationship Management initiative is not an information technology project. A core Customer Relationship Management team should be formed in addition to the participation from top management, Senior Executives, Customer Service, information

technology and end-users. Only after the requirements are clear should they be handed over to information technology for implementation.

➤ **Defining the Processes:**

It is important for the processes to be clearly defined and enforced in order to set up the customer relationship management project for success. One good practice is to create a central repository, accessible to all, which stores all the process definitions. This allows the document to be available for referencing by anyone using the system. Key processes that need to be defined from the start are change management process, feature re-evaluation processed. Also, clear security measures with access management need to be in place to make sure that important data is not accessible by those who shouldn't be accessing it.

➤ **Managing the Application:**

Once the customer relationship management has been rolled-out, it is important to re-align the work culture of the teams around it. The business operation should properly map with the Customer Relationship Management application. This also means that end users should perform day-to-day operations through the Customer relationship management application by default and not optionally.

➤ **Finding the Right Partner:**

The rate of customer relationship management success considerably goes up with the right solution partner. Ideally select a partner who can do both, strategy and implementation. It is important that your partner shares the risks of your implementation. Working with a vendor who understands local work culture, technology limitations and listens to the employees, are ideal (Balaji B, 2002:365).

2.4 Customer Relationship Management to the Company Performance

Possession of sophisticated customer relationship management systems, and complex human skills and experience will have little impact on the business unless action is taken. In other words, to improve performance the outputs of any customer relationship management program have to be deployed at scale across the business. Many firms will own the same basic technology and possess similar skills. However, few will possess the organizational

architecture of control systems and incentive policies required to fully exploit these resources. This ability to exploit investment in customer relationship management is observed in an overall business architecture that supports action before, during, and after implementation. It not only ensures that customer knowledge is effectively generated, but more importantly, it ensures that the information is used within the organization to influence competitive advantage. For example, front-line employees are motivated to act on reports generated by the customer relationship management system when making tactical decisions about customers. In the context of customer relationship management, other aspects of this architecture could include training in systems and policies, or control systems that focus on a relationship rather than a transactional view of the customer (Barney and Mackey 2005:211).

2.4.1 Designing Customer Relationship Management Strategy

Christopher and Jochen (2005:395) the majority of customer relationship management implementations fail. According to the Garner Group, the nature claims it to be around 60 percent key reason for this high failure rate is that firms often equate installing customer relationship management systems with having a customer relationship strategy. They forget that the system is merely a tool to enhance the company's customer servicing capabilities and is not the strategy itself. Some researchers believes that even customer relationship management system that have been implemented and have not yet been showing results can be well positioned for future success how to build customer loyalty rather than focusing on the technology itself.

2.4.2 Monitoring Customer Relationship Management

A thorough means of monitoring and evaluating relationship quality overtime is another foundation for relationship marketing. Basic market research in the form of (at a minimum) annual customer relationship surveys can be the foundation for such a monitoring strategy. Current customer should be surveyed to determine their perceptions of value received, quality, satisfaction with services, and satisfaction with the provider relative to competitors. The organization should also regularly communicate with its best customers in person or over the

telephone. In a competitive market it is difficult to retain customers unless they are receiving a base level of quality and value (Zeithmal and Bitner, 2003:168).

2.4.3 Motivation of Employee and Training

Organization says that, effectively provide quality service are able to enhance their images or constant customer service their ongoing training and motivation program moreover, companies should train all level of their employos ranging from key executive position. It also opined that, when employees are trained and motivated they feel belongingness and work hard from of improvement of the company's service (Denton, 1989:17).

2.4.4 Methods of Motivation

There are two methods of motivation

1. Financial Motivation (incentives)

Money is basic motivator for all employees as the primary needs are to be meeting only with money. However, money is not an end; it only serves as a means for living. Financial incentives are two types:

- a) Individual Financial Incentives
- b) Collective Financial Incentives

2. Non-Financial Motivation

These method of motivation include the following participation subordinate state should be associated with the decision making process. Employees should be encouraged to participant in the decision making process.

- Job enhancement workers should have a hand in setting their goals so that they have a feeling of personal responsibility for their task. They should be given more latitude in deciding about certain routine things. An effort should be to create price in the job among staff members. All this results in job enhancement.

- Integrating the communication flow if there is proper communication among the employee or between the management and employees, it acts as a motivator. Let all employees be given adequate information to solve their problems. It is very essential that employees should know as to what is going on in the enterprise.
- Positive reinforcement the performance of workers increase manifold when there is a positive reinforcement among the workers by the management.
- Building Morale high morale and how morale is directly related to higher production and low production respectively (Guta and Sharma, 1988:240).

2.4.5 Sales Force Motivation

Pleasant personal relationship with marketing and peers the positive motivational force for sales people and also foster a feeling of belonging. Unpleasant relationship a negative motivational force which reduces a sales person's productivity. And also many sales people even feel that they are business for themselves and enjoy managing their own territories. This is why they chose a career in sales to begin with. Moreover, many sales people prize the freedom and authority available to them through selling. They thrive on planning their own ways, on not going to an office, on representing the company to a customer and on making their own decision (Denton, 1989:17).

CHAPTER THREE

Data Presentation, Analysis and Interpretation

This chapter deals with the presentation, analysis and interpretation of the data gathered through questionnaire and interview.

The questionnaire was distributed to customers of Multichoice Ethiopia and employees who are working on customer service, technical and marketing departments. An interview was also conducted with marketing department manager.

The investigation of this research study focused to reach a clear analysis on the customer relationship management of Multichoice Ethiopia from its customer's and employees' point of view. Moreover various questions were raised to sample respondents about customer relationship management mainly related to customer service, customer complaint handling, employee motivation and service delivery. 200 questionnaires were distributed to 188 customers and 16 employees and 100% of the questionnaires were returned back. Therefore the analysis is presented based on their response and summarized by using descriptive statistical method. The raw data is computed in percentage and presented in a tabular form followed by detail explanation and critical interpretation of the data in order to figure out the implication of its major findings.

This chapter has two parts, the first part deals with the General Characteristics of the respondents and the second part deals with the Analysis of the research Findings.

3.1. General Characteristics of the Respondents

The table below describes the characteristics of the respondents based on sex, age, educational level, it also categorized in accordance with the organizational type, their relation with the company, their work experience in the company, and their contact with different departmental divisions.

General Characteristics

S/N	Parameter	Customer Respondent		Employee Respondent	
		No	Percentage (%)	No	Percentage (%)
1	Sex				
	Male	116	62	7	44
	Female	72	38	9	56
	Total	188	100	16	100
2	Age				
	18-27 years	31	16	8	50
	28-37 years	74	39	7	44
	38-47 years	55	30	1	6
	> 48 years	28	15	0	0
	Total	188	100	16	100
3	Educational level				
	Below diploma	43	18	0	0
	Diploma	72	45	4	25
	Degree	61	31	11	69
	Above degree	12	6	1	6
	Total	188	100	16	100
4	Organizational type				
	Governmental	46	24		
	Non-governmental	62	33		
	Private	77	41		
	Other	3	2		
	Total	188	100		
5	Relation with the company				
	< 1 year	37	20		
	1-5 years	56	30		
	6-10 years	81	43		
	>10 years	14	7		
	Total	188	100		
6	Work experience in the company				
	< 1 year			2	12
	1-3 years			4	25
	4-6 years			7	44
	>6 years			3	19
	Total			16	100
7	Department of employee				
	Marketing department			6	37
	Customer service department			8	50
	Technical department			2	13
	Total			16	100

Tables 1, as in the above table, regarding age distribution of the respondents 116 (62%) were male and 72 (38%) of them were female. Regarding to employees 7 (44%) was male and 9 (56%) of them were female. This implies that females are dominant in Multichoice Ethiopia staff and most of Multichoice Ethiopia customers are male.

It is depicted in the above table regarding the age group, 74 (39%) of the customer respondents were between 18 and 27 age category and respondents between 28 and 37 age are 55 (30%). And 31 (16 %) of the customers were in the age group of 38 to 47 and the rest 15% of the respondents are more than 48 years old. With regard to employees age 50% of the respondents are between 18 and 27 age category and 44% of the employees are within 28 and 37 years of age. Only 6% of the employees fall under the age 38 to 47 and none of the employees are older than 48 years. The figures imply that half of Multichoice Ethiopia's employees are young people. It's possible to say that the company built its work force with young age group that is productive and capable of doing their job properly. It also increases the effectiveness of the customer relationship. Furthermore most of the customers' respondents are young and middle age people and Multichoice Ethiopia is highly demanded by the younger generation and the demand decreases with the increase of age. The 2007 CSA publication implies that the most prevalent age group is the youth that is between 18 and 27 age category. This in turn implies that Multichoice Ethiopia's have a great untapped target group.

With respect to the educational status of the customer respondents, out of the total customers 18% were below diploma level 45% diploma holders, 31% are degree holders. The rest 6% are above degree holder's level. Therefore the majority of Multichoice Ethiopia customers 145 (82%), were educated; and have the awareness for what they actually want from the company. In addition they are capable of using any opportunity to express their complaints in various means.

With regard to employees educational status, (11) 69% of the employee respondents are degree holders, 25% and 6% are diploma and above degree respectively. Therefore there is no employee under diploma level. It clearly understood that the company's manage with an educated personnel's. This is also implies that the company's performing, its customer relationship management through skilful workers who can easily understand and undertake any actions.

The above table also shows that 24% of the customer respondents' work in governmental offices, 33% work in non-government organizations, 41% engaged on private jobs, and only 2% of the customers responded the options "others". The figure indicates that most of the company's customers have engaged on private jobs.

Concerning the length of contact years with the company, 20% of the respondents are less than one year, 30% are in between for 1-5 years, 43% are in between 6-10 years, and 7 % have more than 10 years. Therefore the majority of customers have relation_for a long period of time with Multichoice Ethiopia.

Regarding the experience of the company's employees 12% of them have less than a year of experience, 25% have been working in the company from one to three years. Employees who have an experience of 3 to 6 years are 44% and only 19% of employees have worked in the company for over six years. This indicates that a considerable percentage of the company's employees are experienced and are fit to do their job as well.

Regarding the departments of the employees, 20% of them work in marketing department, 52% in customer service and only 16% works in technical department of the company. This shows that there is shortage of stuff in technical department that result in dalliance of decoder. On the other hand there seems to be enough people working in customer service department.

3.2 Analysis of the Questionnaire Given to Respondents Directly Related to the Study

3.2.1 Level of Satisfaction

Employee Respondents					
Parameter	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree
Do you think Multichoice Ethiopia customers are satisfied with the service provided by the company?	0	2	3	10	1
	0%	13%	19%	62%	6%
Are you happy working in Multichoice Ethiopia?	0	1	3	10	2
	0%	6%	19%	62%	13%
Multichoice Ethiopia use different strategies to meet customer satisfaction?	0	0	3	12	1
	0%	0%	19%	75%	6%
Customer Respondents					
How often are you satisfied with the service of Multichoice Ethiopia?	Most of the time	Occasionally	Rarely	Never	Other
	15	32	38	103	0
	8%	17%	20%	55%	0%

Table: 2, according to the above table 68% of the employees' respondents believe that customers are not satisfied with the company's service. Only 13% of the employees believed that customers are satisfied and 19% of the respondents were neutral. This shows that most of employees of the company agreed that customers are not satisfied and the employees are well aware of customer's problems.

The above table also shows that 75% of the employee respondents are not happy with working in Multichoice Ethiopia. This implies that the company gives very little incentives for employees resulting very low level of employee satisfaction and may also cause customer

complaints. It can be seen here that these well educated and experienced personnel are not fully utilized and thus become less productive.

As can be seen from the above table; 103 (55%) of the employee respondents of the company believe that customers of Multichoice Ethiopia are not satisfied by the service provided by the company. And 12 (75%) a considerably large percentage of the employee respondents think that Multichoice Ethiopia does not have any strategy to meet customer satisfaction.

When the employees asked questioned whether the companies employ any strategy to meet customer satisfaction, 81% of them respond that there is no strategy. Absence of different strategies implies that the company is not using different approaches to maximize customer satisfaction.

Concerning the rate of customer satisfaction, only (15) 8% of the customers said that they are satisfied most of the time and 17% of the respondents are occasionally satisfied. And around 75% the customers are either rarely or never satisfied. This implies that Multichoice Ethiopia made little effort to increase the rate of customer satisfaction.

3.2.2 Employee Handling in Multichoice Ethiopia

Parameter	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Multichoice Ethiopia gives additional benefit to retain and initiate employees?	0	0	1	4	11
	0%	0%	6%	25%	69%
Does Multichoice Ethiopia offer Employee motivational technique?	Yes			No	
	4			12	
	25%			75%	
If your answer is “Yes” for the above question in what way?	Training	Bonus	Promotion	Other	
	100%	0%	0%	0%	

Table: 3 the above table indicates that there are no additional benefits for employees. The absence of additional benefits and motivations results a lot for the dissatisfaction of employees.

All of the four respondents which answer yes for the presence of motivation believe that the company motivates employees in the form of training.

The student researcher interviewed the marketing manager of Multichoice Ethiopia on the issue of employee motivation and the manager replied that the company is trying to motivate its employees by providing different trainings at the time of recruitment and by giving free bouquet for permanent employees of the company. He also said that for the time being they are giving training only for its technical department employees.

3.2.3 Relationship between the Company and Employee

Parameter	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree
Good relationship between the company and the employees	2	7	0	6	1
	13%	44%	0%	37%	6%
Transparency between managers and employee	2	8	1	4	1
	13%	50%	6%	25%	6%

Table: 4 as depicted in the above table 57% of the employee respondents believe that there is good relationship between the company and the employees and only 6% believe otherwise. Regarding the transparency between managers and employees, 63% the employee agrees on the presence of transparency between the two and only 6% of the respondents strongly disagree saying there is no transparency between managers and other employees. A substantial percentage of the employee respondents believe that there is a good relationship and transparency between management and employees. It is evident that such kind of smooth relationship and transparency creates a good work environment and eventually benefits the company's performance.

Moreover employees were asked to list down the major problems on the customer relationship management in Multichoice Ethiopia. The following are some of the responses given by the respondents.

As the company being monopoly it doesn't worry in losing customers as such, there is no any motivational activities, poor quality products, disconnecting programs before due date, there is no dedicated department, lack of continues training, not giving much attention for customers complaints and limited technicians.

3.2.4 For Decoder Maintenance

No	Parameter	Employee Respondent	
		No	Percentage (%)
1	How long it take to maintain a decoder on average?		
	1-3 days	0	0
	4-5 days	1	50
	6-7days	1	50
	>7 days	0	0
	Total	2	100
2	How fast do you notify the customer about the decoder status?		
	Immediately	0	0
	Within two days	0	0
	Within a week	2	100
	More than a week	0	0
	Total	2	100
3	How do you notify the customer regarding the status of the decoder?		
	By phone	1	50
	Via Email	0	0
	When the customer come to office	1	50
	Total	2	100

The above table 5 shows the responses of the technical department employees of the company. As can be seen from the above table all of the 2 (100%) employee respondents said that decoders are maintained and notified to the customers within a week. And regarding the means of notification of decoder status one respondents said he notify customers via phone and the other said he notify customers when they come to the office. A faster means of notification may decrease the number of customer complaints and it should be implemented by both of the technical department stuffs.

3.2.5 for Customer Service Department

For customer service department three questioners were given. For the question on how to handle customer complaints, some respondents said that most of the problems customers complain about are well known therefore they will try to solve it themselves and if it is beyond their capacity they will transfer it to the concerned department. Others said that they will use maximum effort to solve their problem and make sure that the same problem will not happen in the future. Some also said that they accept the complaints properly and try to give solutions immediately and the complaints are beyond their capacity they will direct it to their supervisor.

According to the above responses the student researcher observes that almost all of the employees in the customer service department believe that he/ she is doing their best on handling customer complaints and giving solution timely.

The department employees were also asked to list down the major problems customers complain about. Some of their responses are; take too much time to repair decoders, disconnected service before the due date, poor decoder quality resulted in quick damage, disconnections of accounts without notification, lengthy and complicated payment system for government offices and the price for bouquet (bunch of channels) is expensive and was not set to meet customer channel choices.

The employee respondents continued to respond about the factors that challenge the customer service department employees to handle complaints properly. Here are the main responses; customers may constantly complain about problems that are on the hands of other departments, lack of support from upper management when big problems occur, shortage of manpower to

handle the customer and absence of incentives taken by the company and the diverse nature of the complaints.

This research study tried to assess the Customer Relationship Management in Multichoice Ethiopia. It also investigated the problems that the company faces in relationship management with its customers. Accordingly, various questions were posed to sample respondents to figure out the situation. The results of findings are discussed in the following table.

3.2.6 Complaint Handling

No	Parameter	Customer Respondent	
		No	Percentage (%)
1	Did you complain regarding the company service delivery before?		
	Yes	111	59
	No	53	28
	I don't know	24	13
	Total	188	100
2	How do you get the compliant handling methods of Multichoice Ethiopia?		
	Very good	2	2
	Good	13	12
	Fair	19	17
	Poor	61	55
	Very poor	16	14
	Total	111	100
3	To whom did you complain?		
	To the general manager	2	2
	To the marketing manager	7	6
	To the customer service supervisor	16	15
	To the sales person	86	77
	Total	111	100

As depicted in the table 6, 59% of the customer respondents have complained about the company's service, 28% replied that they did not complain and only 13% was not sure whether they complain or not. This implies that more than 50% of the customer respondents have

complained at least once. It shows that large percentage of the customers has complained about the services given by the company. This leaves a great assignment to the company in terms of minimizing customer complaints and restructuring the customer relationship management.

Regarding the customer handling of the company, 69% of the respondents found the customer handling of the company below average. And only 14% of the customers believe that there is a good customer handling management in Multichoice Ethiopia. This indicates the customers are not happy with the customer mechanism handling of the company and there is a poor customer handling mechanism.

It can be seen from the above table that the majority of the complaints, 77% to be exact, goes directly to the sales personnel of the company and only 8% of complaints are posed to upper management. The rest 15% are directed to the customer service supervisor. The figure shows that the sales personnel have a major responsibility in handling the majority of the complaints which in turn have a great role in terms of company performance.

3.2.7 Service Delivery

No	Parameter	Customer Respondent	
		No	Percentage (%)
1	How do you evaluate the company regarding service delivery promise?		
	Very high	13	7
	High	14	7
	Medium	39	21
	Low	97	52
	Very low	25	13
	Total	188	100
2	What do you think the major problem of the company's customer service management?		
	The company being monopoly	154	81
	Customer complaint handling	18	10
	Lack of sufficient service	7	4
	Lack of communication	9	5
	Total	188	100
3	Are you satisfied with the way the employees handle your problem?		
	Very satisfied	13	8
	Satisfied	39	21
	Medium	30	15
	Unsatisfied	106	56
	Total	188	100

The above table 7 shows the responses of customers about the service delivery of Multichoice Ethiopia. On the subject of service delivery promise, 65% of the customer respondents gave a low or very low grade in service delivery promise. Only 14% of the customers believe the company is doing a good job in service delivery. The rest 21% replied that the service delivery is medium. This indicates the majority of the respondents believe Multichoice Ethiopia's service delivery promise is poor which may give a bad image to the company and may in turn affect the company's performance.

As it is shown in the above table, 81% of the customers accept as true that the monopoly nature of the company is the major problem of customer service management. In addition 10% of the customers think it is customer problem handling, 5% believe lack of communication is the major problem and the rest 4% of the respondents said that lack of sufficient service is the problem. It is clear that the absence of competitors is the only thing that kept the customers in the company.

On the matter of how employees handle problems of employees, 29% of the respondents said they are satisfied with the way their problems are handled, 15% replied medium and 56% of the customers said they are not satisfied at all. This indicates that most customers are not satisfied with the way their problems are handled and there is a poor customer handling mechanism.

3.2.8 Customer Relation Improvement

No	Parameter	Customer Respondent	
		No	Percentage (%)
1	Have you ever seen customer relationship improvement since you used the service of Multichoice Ethiopia?		
	Yes	58	31
	No	78	41
	I don't know	52	28
	Total	188	100
2	If you have seen an improvement on the service, in what way?		
	Customer management	9	15
	Customer complaint handling	22	38
	Packages (channels)	27	47
	Other	0	0
	Total	58	100

Table: 8, we can see here that 31% of the customer respondents saw improvement in customer relationship and from these, 47% said there is improvement in package, 38% in customer complaint handling and 15% of the respondents said there is improvement in customer management. 41% of the respondents said there was no improvement since they become the customers. The rest 28% of customers does not know whether or not there is an improvement on service delivery. This indicates that Multichoice Ethiopia lacks improvement in service delivery.

3.2.9 Issues Regarding Decoder Maintenance

No	Parameter	Customer Respondent	
		No	Percentage (%)
1	Have you ever had problem with your decoder?		
	Yes	101	54
	No	87	46
	I don't know	0	0
	Total	188	100
2	If you had problem with your decoder, what actions did you took?		
	Send it to Multichoice Ethiopia's maintenance department	82	81
	Bought new decoder	14	14
	Have not took any action yet	5	5
	Total	101	100
3	How long does it take for the decoder to be maintained?		
	1-3 days	13	13
	4-5 days	19	19
	6-7 days	23	23
	> 7 days	46	45
	Total	101	100

As depicted in the table 9, 101 (54%) of the customer respondents have encountered problem on their decoder. 81% of these send their decoders to the maintenance department of the company and only 13% got there decoders fixed within three days. 15% of the customers who haven't took their decoder to the maintenance department bought a new decoder and 5% of them didn't take any action. 46% of the customers have not encountered a decoder problem. Based on the responses 65% of the respondents said that it takes more than six days to get their decoders fixed and 19% of them replied that it took 4 to 5 days. Even if the majority of customers send decoder to Multichoice Ethiopia the maintenance department won't give an immediate. This implies that most of the customers with decoder problem will not get the service for over a week.

3.2.10 Account Disconnection

No	Parameter	Customer Respondent	
		No	Percentage (%)
1	Have you ever encountered an account disconnect before due date?		
	Yes	93	49
	No	48	25
	I don't know	47	26
	Total	188	100
2	If you encounter an account disconnection before due date, what did you do?		
	Call and report to Multichoice call center	48	52
	Come to office and tell to salesperson	37	39
	Have not took any action yet	8	9
	Other	0	0
	Total	93	100
3	If you encounter a program disconnection, how long does it gate to fix it?		
	1 day	11	12
	2 – 3 days	17	18
	4 – 5 days	26	28
	More than a week	39	42
	Total	93	100

Table:10, regarding account disconnection before the due date, 93 (49%) of the customer respondents have encountered such a problem and 52% of them call and report to the company's call center, 39% came to the office in person and report to the sales person and only 9% have not took any action. 12% of the respondents said their account was connected back within a day, 28% said it took from 4 to 5 days 18% said it took from 2 to 3 days and 42% of the respondents said it takes more than a week for their account reconnection. The figure shows that a significant number of customers are left with their account disconnection for over a week.

3.3 Customer Respondents Opinions

The customer respondents were asked to forward any suggestion they may have regarding customer relationship management in Multichoice. The following are some of their suggestions:-

Multichoice Ethiopia should handle customer complaints properly, have a dedicated customer relationship management, use motivational techniques for salesperson, increase the work force in technical department may rectify the delay of decoder maintenance, need to minimize disconnection of the service before the due date, should give immediate feedback for customer complaints, the company must examine the issues on customer relationship and should also focus on service giving after service delivery.

3.4 Interview with the Marketing Manager

Multichoice Ethiopia's marketing manager asked about how they evaluate their company's customer relationship management and he said it is relatively good but there still are a lot to be done to meet customer satisfaction, they are working hard to maximize customer satisfaction by making sure all complaints are handled quickly, by improving service delivery and by introducing new service packages.

The interview continued about the factors that affect customer relationship management in their company he replied the mother company which is in South Africa had a sole control of most of the activities of Multichoice Ethiopia, issues regarding payment and channel assortment are causing a lot of complaints here but there is nothing we can do to rearrange the channels. Recently as he also said he has noticed more complaints about the quality of decoders causing poor service delivery. There is also an issue of shortage of technical department personnel result a work load over the existing ones. Customers also complain about the absence of remote control maintenance which causes them to spend money buying a new one.

Concerning customer compliant gathering method the company does not have a dedicated body to accept customer complaints, but customers may call to the office or come directly in person and tell the sales personnel their problem. For customers who come to the office directly could also contact the customer service supervisor.

The manager continued about compliant handling of the company uses different methods to handle customer complaints. If the complaints addressed to the sales person are simple enough and are under the capacity of that sales person, they are solved right away without wasting any time. But some problems may require the sales person to contact immediate supervisors and other departments of the company. This may take a week or more but Multichoice Ethiopia tries it's very best to address all customer problems within a short period of time.

In regards to the customer relationship to enhance the company's performance it is well known that service delivery company like Mulichoice Ethiopia could benefit a lot in terms of performance if it gives enough attention to customer relationship management. Therefore the presence of a healthy customer relationship management draws in more customers which have direct relation to the performance of the company. For instance Multichoice Nigeria which is a franchise company of Multichoice Africa, have done a remarkable job to improve the customer relationship management this intern increased their number of subscribers resulting an increase in the company performance. The increase in the performance benefited both the employees of Multichoice Nigerian and also the customers who now enjoy more channels and an excellent service delivery. Our company has taken a valuable lesson from Multichoice Nigeria and is now working to enhance the customer relationship management.

The manager said about their motivation technique the company tries to motivate its employees by providing different trainings at the time of employment and by giving free bouquet for permanent employees of the company. For the time being we have training only for technical department.

In regards to how the manager thinks that about the existing customer relationship, replied that currently the company is engaged in several activities to enhance customer relationship. The manager believes that Multichoice Ethiopia should handle customer complaints properly, should use motivational techniques for its employees and also focus on strengthening the technical department and it must examine the issues on customer relationship. Regarding accounts, Multichoice Ethiopia should minimize disconnection of the service before the due date. Increasing the work force in technical department may also rectify the delay of decoder maintenance. The company should give immediate feedback for customer complaints.

Concerning about actions that are taken to build good relationship with customers, the manager replied that the company has installed a queue machine system to minimize the lengthy queue at the sales office. Multichoice Ethiopia has increased its working hours and now also works on Sundays to satisfy customers. The service delivery has improved and they are still working fervently to maximize service quality. For customers who buy full packages the company provide technicians free of charge.

In regards to improvement of company's customer relationship management, the manager said that Multichoice has a plan to open new payment kiosk branches near condominiums and apartments. He believes this will avoid the load on the head office branch and the customer will have a more accessible payment branch. Other than this the company has a plan to announce account status via cell phones.

Finally the manager was asked about the role of customer relationship management on the number of subscribers and he replied saying customer relationship management has a great role to maximize the number of subscribers. One satisfied customer brings a lot more others to the company. He went on saying that the company is trying to enhance the customer relationship management so as to satisfy more customers and in turn increase the number of subscribers.

CHAPTER FOUR

4. Summary, Conclusions and Recommendations

The ultimate goal of the study is to assess the customer relationship management and service delivery of Multichoice Ethiopia. Research questions were raised; important data were collected through questionnaire and interview. The gathered data were presented, analyzed and interpreted through descriptive method and now it is the time to summarize, conclude and draw up recommendations based on the analysis and finding of the previous chapter.

4.1. Summary

Major findings of the research are listed as follows.

- 112 (62%) majority of the customers respondents were male and 9 (56%) of employees of Multichoice Ethiopia were female.
- Regarding age profile of customer respondents 74 (39%) and 55 (30%) indicates that most of the customer respondents lie between the ages of 28-37 and 38-47. But most of the employee respondents 8 (50%) were at the age category of 18-27 this indicates that Multichoice Ethiopia have energetic man power.
- With regard to education level, about 72 (45%) they have diploma and 7 (69%) of employees of Multichoice Ethiopia are degree holders this indicates that the company are engaged with skilful employees. majority of the customer respondents were educated.
- 41% of the customers which is 77 out of the total 188 work in private organizations. Who have a relatively better income than the other organizational types and can afford the services of the company.
- Among the 16 employees selected for this study, half of the employees selected that is 50% (8) are from customer service department as this department have direct contact with the customer.
- With regards to relation with the company, most of the customer respondents that are 81 (43%) have been customers of the company for 6 to 10 years. This figure shows that

customers have long time relationship with the company thus most of the customers are loyal to the company

- With regard to employees work experience, 7 (44%) of the employees have been working in the company for 4 to 6 years this indicates that Multichoice Ethiopia employees have a good experience with particular field.
- 62% of the employee respondents that is 10 out of the total 16 believe that most of Multichoice Ethiopia customers are unsatisfied.
- Among the total employee respondents 62% (10 employees) not happy by working in Multichoice Ethiopia.
- 75% (12 employees) believe that the company does not have any strategy to meet customer satisfaction.
- 69% (11 employees) of respondents said that Multichoice Ethiopia doesn't give additional benefit to retain and initiate thier employees and only 25% (4) agree about the presence of motivational technique.
- From the entire employee respondents 44% (7) said that there is good relationship between employee and management and furthermore 8 (50%) of the employee agreed that there is transparency between employee and management.
- Regarding the time it took to fix decoders, one employee of the technical department replied that it takes 4 to5 days and he notifies about the decoder status via telephone. And the other said it takes 6 to7 days and he notifies the customer when they come to the office in person.
- Almost all of the employees in the customer service department believe that he/ she is doing their best on handling customer complaints and giving solution timely.
- On the matter about the major problems customers complain about, some customer respondents said that; it take too much time to repair decoders, disconnected service before the due date, poor decoder quality resulted in quick damage, disconnections of accounts without notification, lengthy and complicated payment system for government offices and the price for bouquet (bunch of channels) is expensive and was not set to meet customer channel choices.

- About the factors that challenge the customer service department employees to handle complaints properly, here are the main responses; customers may constantly complain about problems that are on the hands of other departments, lack of support from upper management when big problems occur, shortage of staff to handle the customer and absence of incentives taken by the company and the diverse nature of the complaints.
- Customers who raised their complaints previously about service delivery of the company are 111 that are 59%. Therefore more than half of the customer respondents have complained before.
- From these out of 111 customers who complained before, majority of them that is 55% (61 customers) are not satisfied by the company's complaints handling system. This indicates that Multichoice Ethiopia do not have a good customers' complaints handling method. And 77% of the customers who complained that are 86 customers, raised their complaints to the sales persons, this is due to the fact that customers contact the sales personnel's in day to day activity.
- From those customers who have complained previously, 77 respondents (69%) said that the complain handling of the company is poor. In addition most of the complaints that are about 77% (86 customers) are directed to the sales person of the company.
- From the entire respondents 65% (122 customers) respond that the company doesn't keep its promises regarding service delivery.
- Among the total respondents 154 (81%) stated that the major problem of the company is being monopoly.
- Regarding customer satisfaction, 106 of the total respondents which is 56 % are not satisfied by the way the employees handle their problem and 30 (15%) have medium opinion concerning the matter.
- Concerning improvement of customer relationship, 41% (78) of the customers replied that there was no improvement and only 58 respondents (31%) said that there is an improvement in terms of packages and number of channels. Multichoice Ethiopia lacks improvement in service delivery.

- 54% (101 customers) of the respondents who got decoder problem, 81% (82 customers) send their decoders back to the company's maintenance department and 14 % (14 customers) bought a new decoder and the rest did not take any action. This implies that the decoder quality is not good.
- Issue relating to responses time of maintenance, 45% of the customers (46) replied that it took more than a week to get their decoders fixed. And only 13 respondents (13 % customers) said that their decoders got fixed within three days. This indicates that there is a dalliance of decoder maintenance; this in turn causes customer complaints.
- Regarding account disconnection before the due date 49 % (93 respondents) have encountered a program disconnection and 52% (48 customers) called and report the problem. And only 11 customers (12%) got account connection back in a day. This indicates that the company have big problem with regards to service quality.
- Summarizing the customer respondents regarding the open ended questions, most of the respondents view involved around low service level, insufficient product quality and inadequate compliant handling method.
- The student researcher observed that Multichoice Ethiopia customers are not satisfied on its service delivery, a significant number of respondents say that Multichoice Ethiopia complaints handling performance is not enough.
- The company didn't have any motivational mechanisms for its employee that result for higher dissatisfaction of employee especially for the sales force and that lead to poor compliant handling performance of a company and its maintenance service.
- Based on the interview conducted with the marketing manager, the company does not have a dedicated body to accept customer complaints, but customers may call to the office or come directly in person and tell the sales personnel their problem. For customers who come to the office directly could also contact the customer service supervisor.
- The manager also said that the company tries to motivate its employees by providing different trainings at the time of employment and by giving free bouquet for permanent

employees of the company. For the time being the company has training only for technical department.

- The manager also said that actions that are taken to build good relationship with customers, Multichoice Ethiopia has increased its working hours and now also works on Sundays to satisfy customers. The company should meet customer satisfaction, by not only focusing on expansion of working hours but by also considering other factors.
- The manager said that the company is trying to enhance the customer relationship management so as to satisfy more customers and in turn increase the number of subscribers.

4.2 Conclusion

Based on the summary of the major findings the following conclusions are drawn.

- Customer relationship management has a significant role on the number of subscribers. This indicates that a good relationship management means a higher rate of customer satisfaction. Furthermore this will draw more new subscribers to the company. The company can be benefited through high level of quality services from its Mother Company, when it meets a higher subscriber number which will increase the subscriber moreover.
- The findings indicate that most complaints are directed to the sales personnel who have the major responsibility in handling the majority of the complaints, the employee then tried to solve customer complaints by themselves and if the problem is beyond their capacity they transfer it to their supervisor who might give an immediate solution or in most cases over a week. Yet the customer handling mechanism is not good enough. This is mainly due to a poor service delivery, below standard decoders resulting defects and take over a week to get fixed, and the absence of dedicated customer relationship management department to handle the customer complaints and to build up good relationship with customers.
- The study shows that the major problems the customer service department faces on daily basis are: customers may constantly complain about problems that are on the hands of other departments, lack of support from upper management when big problems occur, shortage of staff to handle the customer even though the sales personnel is relatively higher than the other departments and absence of incentives taken by the company and the diverse nature of the complaints.
Furthermore poor quality products, disconnecting programs before due date, and limited technicians may also challenge the employee indirectly.

- The study revealed that the company's customer relationship management is not performing good, this resulted a higher number of complaints which intern affects the company's performance.
- The study exposed that Multichoice Ethiopia's management does not have any motivational programs for its sales personnel's (customer service department).

4.3 Recommendations

- Multichoice should develop the customer relationship management in order to increase its number of subscribers and to get high level of service from the Mother Company; eventually this can maximize its customer satisfaction.
- Customer satisfaction is assured or not, the company should deal customer's satisfaction through feedback system, improve the services delivery and minimize customer complaints
- Multichoice Ethiopia should minimize the work burden of sales personnel's (customer service department) because they play a major role in regarding customer satisfaction; the company should motivate its personnel's by offering different incentives.
- The company's customer relationship management is not performing good, this resulted a higher number of complaints which intern affects the company's performance. So the company should focus on how its performance is going and the company should have a dedicated customer relationship management department to handle all activities regarding to customer relationship.
- Multichoice Ethiopia's management should try to increase the level of satisfaction by motivating its sales force to care for customers, obtaining feedback, and taking action accordingly to meet customers request and complaints.

Bibliography

- Anderson and kerr (2002). Buttle F (2009). **Customer Relationship Management**. New Delhi: hill publishing co. Limited.
- Armstrong (2006). **Principle of Marketing**. New Delhi: Prentice-hall of India private limited.
- Arun and Meenakshi (2006).**Marketing Management**. New Delhi: Vikas Publishing House Pvt. Ltd.
- Balaji (2002). **Services Marketing and Management**. New Delhi: Schand publishing Private Limited.
- Belding shaun (2001). **Dealing with the Customer from Hell**. India: Rajive Beri for Macmillan India limited.
- Buttle F (2009). **Customer Relationship Management**. India: Elsevier publications Private Limited.
- Forsyth Patrick (1999). **Communication with Customers**. Britain Orion: publishing group Private Limited.
- Christopher and Jochen (2004). **Services Marketing**. Pearson education (Singapore): Baba Barkha Private Limited.
- Deton Keith (1989). **How to give Service to your Customer**. New Delhi: Universal book stall.
- Francis (2009).**Customer Relationship Management**. India: Elsevier publications Private Limited.
- Gupta and Bhalla (1988). **Principles and Practice of Management**. New Delhi: Kalyain publisher.
- John Willmhurst (1995). **Marketing**, (3rd ed). Britain: Bath Press both.
- Mercer Charley (1996). **Marketing** (2nd). U.S A sedition back well Publishers Inc.
- Monga and Shalini, (2003). **Marketing Management**: New Delhi: Deep and Deep Publications Private Limited.
- Malte and Anntte (2005). **Customer Relationship Management**: New Delhi Prentice-hall of India Private Limited.
- Keegan,moriarty and Ducinan (1992), **Marketing**, .U.S.A prentice Hell Inc.
- Kotler (2002) **Marketing Management**: New Delhi: Prentice-Hall Of India Pvt. Ltd.

Kotler and Armstrong (2006). **Principles of Marketing**. New Delhi: Prentice-Hall of India Pvt. Ltd.

Kotler and Keller (2009) **Principle of Marketing**. : New Delhi: Prentice-hall of India private Limited.

Summery and statistics report of the 2007 population and housing census: Publication

Timothy (2002). Research Paper on **Customer Relationship Management** (Internet)

Venugopal and Raghu. (2004) **Services Marketing**. New Delhi: New Office Printers.

Valarie and Jo, Bitner. (2003) **Services Marketing**. New Delhi: Tata Graw Hill Publishing Company Limited.

Watkins Charely (2006). **Marketing, Sales and Customer Service**. Delhi: A.I.T.B.S. publishers and distributions (regard.)

APPENDICES

B. Non Government

C. Private

Part II. Questions directly related to the study

1. For how long have you been the customer of Multichoice Ethiopia?

A. < 1 year

C. 6-10 years

B. 1-5 years

D. >10 years

2. How often are you satisfied with the service of Multichoice Ethiopia?

A. Most of the time

D. Never

B. Occasionally

E. Other (Please specify) _____

C. Rarely

3. Did you complain regarding the company service delivery before?

A. Yes

B. No

C. I don't know

4. If your answer is "Yes" for question no 3 how do you get the compliant handling methods of Multichoice Ethiopia?

A. Very good

D. Poor

B. Good

E. Very poor

C. Fair

5. If your answer is "Yes" for question no 3 to whom did you communicate?

A. To the general manager

D. To the sales person

B. To the marketing manager

E. Other place specify _____

C. To the customer service supervisor

6. How do you evaluate the company regarding service delivery promise?

A. Very high

D. Low

B. High

E. Very low

C. Medium

7. What do you think the major problem of the company's customer service management?

A. The company being monopoly

D. Lack of communication

B. Customer complaint handling

E. Other, please specify _____

C. Lack of sufficient service

8. Have you ever seen customer relationship improvement since you started using the service of Multichoice Ethiopia?

A. Yes B. No C. I don't know

9. If your answer is "Yes" for question no 8 in what way?

A. Customer management C. Packages (channels)

B. Customer complaint handling D. Other please specify _____

10. Are you satisfied with the way the employees handle your problem?

A. Very satisfied C. Medium

B. Satisfied D. Unsatisfied

11. Have you ever had problem with your decoder?

A. Yes B. No C. I don't know

12. If your answer is "Yes" for question No 11 what actions did you took?

A. Send it to Multichoice Ethiopia's maintenance department

B. Bought new decoder

C. Have not took any action yet

D. Other please specify _____

13. If your answer is 'A' for question No 12 how long does it took to get it fixed?

A. 1-3 days C. 6-7 days E. Other please specify _____

B. 4-5 days D. > 7 days

14. Have you ever encountered an account disconnect before due date?

A. Yes B. No C. I don't know

15. If your answer is “Yes” for question No 14 what actions did you took?

- A. Call and report to Multichoice call center
- B. Come to office and tell to salesperson
- C. Have not took any action yet
- D. Other please specify_____

16. If your answer is “Yes” for question No 15 is either ‘A’ or ‘B’ how long does it took to get it fixed?

- A. 1 day
- B. 2-3 days
- C. 4-5 days
- D. > 6 days
- E. Other please specify_____

17. If you have any suggestion regarding customer relationship management in Multichoice Ethiopia.

Appendix B

St. Mary's University College

Faculty of Business

Department Of Marketing Management

Questions To Be Filled By the Multichoice Ethiopia Employees

Dear Respondents

This questionnaire is prepared by a student researcher, prospective graduating candidate in the field of marketing management for partial fulfillment of a senior essay. This questionnaire is prepared to assess the customer relationship management of Multichoice Ethiopia.

You are requested to fill this questionnaire honestly with due care because the correctness of the answers to have better outcome of the research. All information that you provide to this study will kept strictly confidential and only for the purpose of research (thesis).

Thank you in advance for your sincere cooperation.

General Instructions:-

- Writing your name on the questionnaire is not necessary
- If the question has all alternative answer, put mark like this.
- If the questioned is related to your personal option, Wright it shortly on the space provided.

Part I. General characteristics of respondents

1. Sex A. Male B. Female
2. Age
 A. 18-27 years C. 38-47 years
 B. 28-37 years D.> 48 years
3. Educational status
 A.10th complete C. Degree
 B. Diploma D. Above degree

4. Work experience in the company

A. < 1 year

C. 4-6 years

B. 1-3 years

D.>6 years

5. Which department are you in?

A. Marketing department

B. Customer service department

C. Technical department

6. Do you think Multichoice Ethiopia customers are satisfied with the service provided by the company?

A. Strongly agree

D. Disagree

B. Agree

E. Strongly disagree

C. Neutral

7. Multichoice Ethiopia use different strategies to meet customer satisfaction?

A. Strongly agree

D. Disagree

B. Agree

E Strongly disagree

C. Neutral

8. Are you happy working in Multichoice Ethiopia?

A. Very happy

C. Unhappy

B. Happy

D. Neutral

9. Multichoice Ethiopia gives additional benefit to retain and initiate employers?

A. Strongly agree

D. Disagree

B. Agree

E Strongly disagree

C. Neutral

10. Does Multichoice Ethiopia offer Employee motivational technique?

A. Yes

B. No

11. If your answer for question no 10 is "Yes" in what way?

- A. Training C. Promotion
B. Bonus D. Other, please specify _____

12. How long Multichoice Ethiopia response for customer complaint?

- A. Fast C. Very late
B. Good D. No response

13. Is there lack of synergy between managers and employees?

- A. Strongly agree D. Disagree
B. Agree E Strongly disagree
C. Neutral

14. is there lack of transparency between managers and employees?

- A. Strongly agree D. Disagree
B. Agree E Strongly disagree
C. Neutral

15. Please list down the major problem regarding customer relationship management in Multichoice Ethiopia.

1. _____
2. _____
3. _____
4. _____

16. How long it take to maintain a decoder on average?

- A. 1-3 days C. 6-7 days E. Other please specify _____
B. 4-5 days D. > 7 days

17. How fast do you notify the customer about the decoder status?

- A. Immediately C. Within a week E. Other, please specify _____
B. Within two days D. More than a week

18. How do you notify the customer regarding the status of the decoder?

- A. By phone C. When the customer come to office
B. Via Email D. Other, please specify _____

19. How many customer complaints do you faces per day on average?

20. How do handle customer complaints?

21. Please list down the major problems customers complain about?

22. What factors challenges you as an employee of Multichioce Ethiopia to properly handle customers' complaint?

Appendix C

St. Mary's University College
Faculty of Business
Department Of Marketing Management
Interview checklist

Dear Marketing Department manager this Interview is organized to assess customer relationship management of Multichoice Ethiopia. Your legitimate reply will have great impact to the prospective graduate degree program in the department of Marketing Management. The student researcher would like to thank you in advance for your cooperation to respond the following questions.

- 1) How do you evaluate the company's customer relationship management?
- 2) What factors affect customer relationship management in your company?
- 3) What methods do the company use to gather round customers complaint?
- 4) What are the methods do the company use to handle complaints?
- 5) What is the contribution of customer relationship management to enhance the company's performance?
- 6) In what ways do you motivate your employees?
- 7) What do you think the company should do to make the existing customer relationship smooth?
- 8) What action is taken so far to build good relationship with customers?
- 9) Do you have a plan to improve customer relationship management in the company?
- 10) How do you evaluate the role of company's customer relationship management in regards to number of subscribers?

Appendix D

.....

.....

.....

.....

.....-

.....
..... "..... 2005"
.....

.....-

.....
.....
.....!!

.....-

-
- "✓"
-

I.

1.
2.

- .. 18-27 38-47 ...
- .. 28-37 > 48 ...

3. /
.. 10
..

4.
..

II.

1.? . . 6-10 . . .
.10
. . 1-5 . . .

2.?
.
.

3.?
.

4.?

1.
.

5.?
.
.

6.?
.

7.?
.
.

8.?
.

9. ?

.
. (. . .) _____

10. ?

.
.

11. (.) ?

.

12. 1 ?

. _____
.

13. 2 (.) ?

.
.

14. ?

.

15. 14 ?

.
.
.
.

16. ?

.
.

17.....

DECLARATION

I, the undersigned, declare that this senior essay is my original work, prepared under the guidance of W/ro. Hilina Mohammed All sources of material used for the manuscript have been duly acknowledged.

Name **Linda Tsegaye**

Signature _____

Place of submission **St. Mary's University College**

Date of submission _____

ADVISOR'S DECLARATION

This paper has been submitted for examination with my approval as the university college advisor.

Name **W/ro. Hilina Mohammed**

Signature _____

Date _____