ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE
MARKETING MANAGEMENT PROGRAM

THE EFFECT OF MARKETING MIX ELEMENTS ON CUSTOMER SATISFACTION: THE CASE OF HABESHA BREWERY SHARE COMPANY

BY

Mathias Yemane

ADVISER: EPHREM ASSEFA (PH.D)

A THESIS SUBMITTED TO THE SCHOOL OF GRADUATE STUDIES OF ST MARRY UNIVERSITY IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF MASTERS OF ARTS IN MARKETING MANAGEMENT

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External Examiner   **Signature**

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Declaration

I, undersigned declare that this thesis titled "The effect of marketing mix elements on customer satisfaction: the case study on Habesha Brewery Share Company", is my original work. I also declare that this thesis has not been presented for a degree in any other university, that all source of material used for the thesis have been duly acknowledged.

Name: _____

Signature: _____

Date: _____

ENDORSEMENT

This thesis entitled "The effect of marketing mix elements on customer satisfaction: the case of Habesha Brewery share company", has been submitted for examination with approval as a university advisor.

Advisor Name: _____

Signature: _____

Date: _____

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Abstract

It is evident that organizations use marketing as a tool not only to meet organizational objectives but also customer expectations. The purpose of this study was to examine effect of the marketing mix elements namely product, price, place and promotion on customer satisfaction in the case of Habesha Brewery. The study is motivated by the need to address the issue in Ethiopian context by providing recent and extensive evidence collected from beer consumers in Addis Ababa Ethiopia. The study applied a mixed research approach and pertinent qualitative and quantitative data were collected to meet the research objectives. Moreover, the study applied a combination of descriptive and explanatory research designs. 373 survey participants were selected to gather data for the study purpose. The study has used questionnaires, document analysis and observations for the purpose of collecting relevant information. The data obtained thorough questionnaires were processed via SPSS version 27 and analyzed using descriptive statistics (frequency, percentage, mean and standard deviation) and inferential statistics (correlation and regression analysis). Thus, in order to determine those factors which, influence customer's satisfaction, four variables (price, product, promotion and placement) were taken in to consideration. The finding of the study indicated that the marketing mix elements have different degree of effect on customer satisfaction in Habesha brewery. Product, place, and promotion caused positive and significant effect on customer satisfaction; while, product price has positive and insignificant effect on customer satisfaction. Therefore, the researcher recommends that the company should take a close scrutiny in the three marketing mix elements namely product, promotion and distribution not only to satisfy but also retain its customers.

Key words: *Marketing mix, product, price, promotion, place, customer satisfaction.*

CHAPTER ONE

INTRODUCTION

This chapter dealt with introduction to the study and includes background of the study, statement of the problem, objectives of the study, significance of the study, scope of the study, limitations of the study, and definition of key operational terms.

1.1.   Background of the study

Marketing mix is a business tool that used by the management of organizations which enable them to remain in global competitive environment. Marketing mix refers to the four major areas of decision making (4P's) in the marketing process that are blended and mixed to obtain the results desired by the organization to satisfy the needs and wants of customers. It is the set of controllable, tactical marketing tools of product, price, place and promotion (4P's) which are the variables that marketing managers can control in order to best satisfy customers' needs (Shankar and Chin, 2011). For any business to be successful in today's increasingly competitive marketplace, it must provide a quality product that satisfies customer needs, offer affordable price, and engage in wider distribution and back it up with effective promotion strategy. Today's companies are facing toughest competition than ever. Companies can win the competition by doing a better job in order to satisfy the customers' needs and wants, and customer-centered companies are adept at building customers not just building a product (Johansson J, 2000).

Customer satisfaction is a person feeling of pleasure or disappointment resulting from comparing a product's perceived performance (outcome) in relation to his/her expectation (Kotler P and Armstrong G, 2010). It may be clear from the above definition customers' satisfaction is a function of perceived performance and expectations. If the performance falls short of expectations, the customer is dissatisfied. If the performance matches the expectations, the customer is satisfied, and if the performance exceeds expectations, the customer is highly satisfied or delighted. There for, due to the growing competition in the market place, more demanding and assertive customers, and rapid advancement in technology has changed the marketing environment dramatically and is becoming more

turbulent. In order to be successful in the business, companies should have a competitive marketing mix strategy.

The main reason that makes marketing mix a powerful concept is, it makes marketing easy to handle and allow the separation of marketing activities from other activities of the firm and the delegation of marketing tasks to specialists (Goi, 2009). The company should constantly compare the value and customer satisfaction delivered by its products, prices, distribution channels and promotion with those of its close competitors. By doing this, the company can identify areas of potential advantage and disadvantage. By the competitor analysis the company can start to formulate their marketing mix strategies (Kotler, 2002).

Due to the growing competition in the market place, more demanding and assertive customers, and rapid advancement in technology has changed the marketing environment dramatically and is becoming more turbulent. In order to be successful in the business, companies should have a competitive marketing mix strategy. The main reason that makes marketing mix a powerful concept is, it makes marketing easy to handle and allow the separation of marketing activities from other activities of the firm and the delegation of marketing tasks to specialists Goi, (2009).

As a result of the country continuous economic development, the beer market of Ethiopia exposing an amazing increasing trend every year, especially in recent years. Because of this attractive industrial growth, new domestic and foreign investors are investing in the sector. According to Yohannes (2018) there is an increasing rate of beer production in Ethiopia. As result this makes the competition stiff and brewery companies should have sound marketing mix strategy to satisfy their consumers. Besides, the number of beer producing companies have increased and offered different local and international multinational corporations in to the sector. This effort of privatization and platform has attracted different actors to take part in the business.

Moreover, this study examined the market mix elements or the four P's: product, price, promotion and place in promotion of Customer Satisfaction of Habesha Brewery Share Company. As aforementioned there are new Multinational Corporations (MNCs) which have started to work in the beer sector and has attracted international beer brewing companies to enter into the Ethiopian beer market and on the same time where the existing breweries are expanding their production capacity. Therefore, in order to succeed and make profit in the

today's business and especially in today's very fast and dynamic market and world the brewery and its administration need to follow different activities to know everything about the customers with different instruments because marketers are expected to understand customers decision making process. Leon Schiffman (2007) notes, marketers and organizations who have good understanding of the consumer decision making process are likely to design products, establish prices, select distribution outlets, and design promotional messages that favorably influences consumer purchase decisions (Schiffman, 2007). Therefore, they employ sound marketing mix strategies to make profit and satisfy their customers.

Thus in this study it is aimed to examine the effect of marketing mix elements on promoting customer satisfaction taking Habesha Brewery Share Company

1.2 Background of the Organization

Habesha Breweries Share Company (Hereafter "Habesha") is one of the leading Ethiopian brewing companies. It is head quartered in Addis Ababa, Ethiopia nder trade mark of food wholesaler Industry. Habesha was initiated by a group of local Ethiopian investors in 2009. The company is currently owned by Swinkels Family Brewers Holding N.V. (owns 60% share ownership), 8,000 local shareholders (30% ownership), and Linssen Participations B.V. (10% ownership)[1]. This Brewery has secured the productivity, access to markets, and food security for 15,000 barley farmers. With the support of the advisory services program, Habesha hopes to reach 14,000 additional farmers through a system of forward contracting with cooperative unions and a linked system of input distribution (Key Informant 01). The Marketing manager expounds that the project has benefited 500 people directly through job creation and has added value to the Ethiopian Malt-barely supply chain. In addition, the Brewery has 320 total employees across all of its locations and generates $1.76 million in sales (USD).

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[1] https://www.habeshabreweries.com/

Vision of the Company

> ➢ To make Habesha Beer the central venue for quality beer celebrities

> ➢ To see the company that can generate a Billion of revenue in the strategic year and contribute the development of the region as well as the country.

Mission of the company

> ➢ To be the best Ethiopia beer lead drinks company with sustained revenue growth and consistently improving returns on invested capital

> ➢ To support the socioeconomic development of the region

Values of the company

> ➢ To lead the county in the technology and knowledge transformation.

> ➢ To ensure product consistency at the required level.

> ➢ To train all employees of the brewery to the end of the next

> ➢ Habe sha brewery has customer focused orientation.

> ➢ Habesha brewery has prevalence of accountability

> ➢ Habesha brewery has well trained & committed work force

> ➢ Make its production process environmentally friendly

Marketing program of habesha brewery Share Company

The company is relatively new company and hence it focus on certain kinds of products with certain kinds of consumers. Initially Sedibeng Breweries will focus on the local market and in the remote and previously inaccessible areas where there is a large market for the products.

Hence the form of growth that shall be initially pursued will be that of organic growth mainly due to limited resources and the need to instill confidence in the products. The target customers will include key decision-makers in the retail and wholesaler's chains who often order or recommend on behalf of the whole organization, the aim being to obtain an initial order and fully satisfy the customer from then on.

The company is currently building image and awareness through consistency and distinctiveness in their product provision. It intends to focus on delivering quality products that in turn produce good referrals, which can then generate revenue. And also to always have

a relatively heavy personal selling component to the marketing strategy as previously discussed. Hence the company is working on to be active in personal relationships with clients and strategic allies keeping abreast of their needs and wants.

1.3.   Statement of the problem

Whether the organization is domestic or international, new or existing, small or large, and private or governments all are operate in a turbulent and uncertain market environment. In the context of changing customer expectations, technological discontinuities, and increasing environmental uncertainties business managers have a big challenge of making the right strategic choice and setting their strategic priorities in order to allocate their resources to different functions in an efficient manner for business success. Due to this, managers must develop new tools, new concepts, new strategies and the new mindsets to cope with the turbulent and chaotic marketing environments that may lead to failure of the organization (Burnett, 2008).

Managers have different sort of planning to achieve their plans to achieve the customer satisfactions and is a determinant factor for the long term survival of any business organization (Jeans, 2004). Managers plan to be competitive. It is very crucial to plan and execute it properly as it is a decisive factor for the success or failure of business objectives. With the rise of companies meeting their customers' needs and wants, they like to have high customer loyalty and getting positive response for their product. In order to be successful, in the today's tough competition application of the 4ps is necessary. According to Tewelde (2018) and Alzar (2017), the market in the Brewery is not much saturated and needs more strong new players as well as the current market segment needs to work on customer satisfaction.

On the other hands customer satisfaction is a very vital and it is a determinant factor for the long-term survival of any business organization (Jeans, 2004). As result, in today's competitive business world it has come out as a decisive factor for the success or failure of business objectives. For this reason, companies meeting their customers' needs and wants are enjoying the market with the customer loyalty and getting positive response for their product. But without satisfying customers the above-mentioned market in success could be unthinkable. In line with this, there is a growing competition in the brewery industry. As

result there are different studies conducted with regards to customer satisfaction, service delivery and marketing mix in different organizations.

Studies were conducted in the areas of customer satisfaction and market mix in different industry and services such as schools, colleges, hospitals, hotels and banks, attaining customers' satisfaction through product differentiation of action gives only temporary competitive advantage due to standardized nature of products, identifying major factors that deepen customer base in continuous satisfaction determines long term organization performance (Kebede, 2017). Wilkinson et al. (1995); Kebede (2017) note that a number of complaints emerge from services failure which emanated from lack of awareness, knowledge, customers to participate, problem of making banking service warm responsive, attracting and retaining customers by innovating marketing practices, paying attention to physical surrounding inability to inflexible work force and work procedure which supports to ensure correct and reliable service delivery (Schemenner, 2004). In the same manner the customer satisfaction in the brewery industries have little degree of variation on customization like the other brewery companies. In line with this the Habesha Brewery faces tough competition from the other breweries and it has come up with many tried to come up with many improvements, different studies made indicate the existence of the gap.

Yohaness Geberesnebet (2018) has examined the assessment of Marketing Mix elements in promoting Customer satisfaction and to assure its quality. Tilahn Tek has also examined the influence of Market Mix on Customer satisfaction taking Dashen Brewery S.C in Addis Ababa. The fin dings indicated the DBSC should retain its current marketing strategies in Addis Ababa because they have positive influences on consumers' satisfaction. Also, that DBSC should evolve other marketing strategies such as, give discounts to create and sustain customers' loyalty and create customers' friendly outlets to directly keep in touch with many small customers. The other scholarly work conducted is by Tarekegn Tewabe (2018), his work titled, the effect of marketing Mix elements on Customer satisfaction and the finding should adjust its pricing strategy by giving focus on internal and external factors that affect pricing decision and promotion strategies. And all the above studies concentrated on different beer customer's satisfaction on relation between Market Mix and customer satisfaction at number of breweries at one time.

One study in relation to examining the major determinants of Market Mix and customer satisfaction in is conducted by Yohaness (2018) on the determinants of customer satisfaction in the case of Dashen. The study by Yohanes focuses about determinants of CS on different seven randomly selected study areas. Nonetheless, this study has focused on well observed branches and further, assessment in this regard were not still now conducted in Addis Ababa, particularly at this moment on the other hand most of studies like Yohaness (2018) were done comparatively among different areas, moreover, the other rationale why the researcher prefers to conduct this study area is the existence of inconsistent service and is to assess the level of CS at brewery industry. Based on this rationale aforementioned, a current assessment on determinants of CS of Habesha brewery branch needs to be studied. Moreover, almost half of customers are dissatisfied by services provided by service sectors like beer brewery (Potlur and Mangnale, 2011; Kebede, 2017, Shibru, 2019). It is thus causes dis-satisfied customers who are less loyal and switchers.

Based on the rationale stated above, a current status of the local private breweries like Habesha Brewery Share Companies needs to be studied. Thus, the extent and reason (level) of the effect of the marketing mix elements namely product quality, price, promotion, and distribution on customer satisfaction in the Habesha Brewery S.C is examined.

1.4. Research Questions

- ➢ How product qualities affect customer satisfaction in the case of Habesha Brewery S.C.?
- ➢ To what extent price of the product affect customer satisfaction in the case of Habesha Brewery S.C?
- ➢ What is the effect of promotions on customer satisfaction in the case of Habesha Brewery S.C.?
- ➢ Does product distribution affect customer satisfaction in the case of Habesha Brewery S.C.?

1.5. Objective of the Study

1.5.1 General objective

The general objective of the study was to determine the effect of marketing mix elements (product, price, promotion and distribution) on customer satisfaction in the case of Habesha Brewery Share Company.

1.5.1 Specific objectives

1. To examine the effect of product quality on customer satisfaction in the case of Habesha Brewery S.C.

2. To determine the effect of customer satisfaction in the case of Habesha Brewery S.C.

3. To investigate the effect of promotion on customer satisfaction in the case of Habesha Brewery S.C.

4. To test the effect of product distribution on customer satisfaction in the case of Habesha Brewery S.C.

5. To what extent price of the product affect customer satisfaction in the case of Habesha Brewery S.C?

1.6. Significance of the study

Conducting such study might be very crucial or vital for any business entity (special regard to Habesha Breweries S. Co) to know its customer satisfaction level with regard to the product, setting price, promotion and placement (distribution) of the company that will move in parallel with the changing customers' need and wants. Because in today's, competitive business world effective manipulation of these marketing mix elements strongly determines the long run survival of the company. Investigated study farther it provides in to on the status of the Brewery and other stakeholders to point touch effective and efficient strategies to widen Customer satisfaction. Further this study will have an academic significance in its study of the interplay between the customers and the Brewery (organization). Therefore, the researcher believe that the finding of the study and the forwarded recommendation would have the following contributions

➢ It may help the brewery and its management and other experts to use the possible opportunities to workable strategies and to improve their customer satisfaction through the Market mix practices.

➤ It may notify to the Brewery management by pointing the most important factors or on which variables customer satisfaction is suffered and allows them designs and produce mechanisms for improvement.

➤ The outcomes of this study may therefore; shade light on factors that hinder the performance of breweries in relation with quality customer satisfaction and Market Mix.

➤ It may facilitate the student researcher s to understand determinants of quality customer satisfaction at the brewery.

➤ The study might serve as a source of reference for further works in the area in detail.

1.7 Definition of Key Terms

- **Marketing**: Marketing is defined in this study as the performance of activities that seek to accomplish an organization's objectives by anticipating customer or client needs and directing a flow of need satisfying goods and services from producer to customer or client (Ringold and Weitz 2007).).

- **Marketing mix**: The marketing mix is the means by which marketing objectives of the organization will be achieved and comprises of product, price, promotion and place of the marketing activities (Badi, 2018).

- **Product**: A product is anything that can be offered to a market for attention, use or consumption that satisfies a want or need (Adewale and Oyewale, 2013).

- **Price**: Price is the amount of money charged for a product or service, or the sum of the values that consumers exchange for the benefits of having or using the product or service (Wantara, and Tambrin, 2019).

- **Promotion**: The specific mix of advertising, personal selling, and public relations that a company uses to pursue its marketing objectives (Marketing, 2013).

- **Distribution**: It is the set of firms and individuals that take title or assist in transferring title to a good or service as it moves from the producer to the consumer (Chen and Popovich, 2003).

1.8. Scope of the study

The scope of the study can be discussed in terms of the issue under investigation, geographical area and the methodology adopted. Conceptually, this study was delimited to test the effect of marketing mix elements on customer satisfaction. Geographically, the study is delimited to one organization called Habesha Beer Share Company located in Addis Ababa, Ethiopia. In terms of the methodology adopted, this study gathered data mainly via questionnaire survey and document review, and hence applied research approach and explanatory research design. The researcher believes that it is clear that a study could be more reliable if all customers of the brewery are comprised in the analysis of the study; however due to time and cost limitation the researcher did not attempt to cover the entire population.

1.9 Limitation of the study

The concept of promotional mix, it is not possible to identify the effect of promotion mix on organization performance, and the researcher will face the following limitation. First as the case is marketing research; the researcher also studies the customer behaviors that are rational. Sometimes, they may not express their feelings correctly what they think. In such cases, their habits, practices, references will not be assessed without limitation of bias. Secondly, the researcher has not participated in such a research at a post graduate level before, so the study will face limitation of the researcher experience.

1.10. Organization of the study

The study is organized into five chapters. The first chapter deals about introduction to the study and includes background of the study, statement of the problem, research objectives, significance of the study, scope and limitation of the study, definition of key terms, and organization of the study. The second chapter covers the review of the related literature and includes review of theoretical literature, empirical literature, conceptual framework of the study, and research hypotheses. The third chapter focuses on research methodology. This chapter discusses the research approach, research design; data sources and collection instruments; reliability and validity of data collection instruments; population, sample size and sampling techniques; method of data analysis and ethical considerations. The fourth chapter was devoted to data presentation, analysis and interpretation. Finally, the fifth chapter deals with the summary, conclusion and recommendation of the study.

CHAPTER TWO

REVIEW OF LITERATURE REVIEW

In this chapter general summary of concepts contexts, facts, knowledge and understanding in the area of the topic of the study are reviewed. This was to widen and large the concepts by critically reviewing what scholars so far observed and expressed in the areas of theoretical reviews on concepts of marketing and marketing mix elements (price, place, product and promotion) customer satisfaction and conceptual models to be applied in the interpretation part of the study as well.

2.1 Theoretical Review

2.1.1 Marketing and Marketing Mix Elements

Kotler and Armstrong, (2010) note market as: "A public gathering consisting of all the potential customers sharing in exchange to satisfy that needs or wants". From this definition it can be interpreted that marketing is the exchange between the customer and the marketer and each party gives something of value to the other, with the goal of satisfying their respective needs and wants, and then in the process both parties gain as much as possible.

Marketing is still an art, and the marketing manager, as head chief, must creatively marshal all his marketing activities to advance the short- and long-term interests of his firm. Marketing can also be defined as series of activities to promote and sell products and/or services to gain profit (Amit &Zott, 2001). Marketing activities concentrate on organization efforts to satisfy needs and desires of customers by offering competitive valuable products and services (Barney, 2001). The aim of Marketing is to create value for beneficiary individuals and groups whom are the most important customers (Nejad, 2006). While customers have a major influence on marketing decisions, companies are devoting more attention than ever before to customers' wants and needs (Anderson and Vince, 2004). Hence, marketing efforts are more focused on attracting, retaining and developing relationship with their present and potential customers. Therefore, it is necessary to know precisely who the customers are, why they buy, and what it takes to satisfy them.

Marketers have four tools to use to develop an offering to meet the needs of their targeted customers. Collectively they are called as the marketing mix (Product, Price, placement and

promotion). The basic idea is first the product of the factory produced, then setting the affordable price, and then promoting that product on the basis of customer's media habit and finally distributes the product on the targeted customers. According to McGraw, (2004) states that the marketing mix is the tools organizations use to develop offerings to satisfy their target market(s).

The marketing mix is a model of creating and implementing marketing strategies. It stresses the blending of various factors in such a way that both organizational and consumer objectives are attained. The elements are the marketing tactics, also known as the 'four Ps', the marketing mix elements are price, place, product, and promotion. When blending the mix elements, marketers must consider their target market. They must understand the wants and needs of the market customer then use these mix elements in constructing and formulating appropriate marketing strategies and plans that will satisfy these wants. These four P's are the parameters that the marketing manager can control, subject to the internal and external constraints of the marketing environment. The goal is to make decisions that center the four P's on the customers in the target market in order to create perceived value and generate a positive response. In the next part of the study, the four elements of the marketing mix (product, price, promotion and place) are discussed.

2.1.1.1 Product

A product is defined as: "A set of tangible and intangible attributes, including packaging, color, price, quality and brand plus the reputation of the seller" (Hart 2004). The term "product" refers to tangible, physical products as well as services. Although this typically refers to a physical product, it has been expanded to include services offered by a service organization. The specification of the product is one of the variables that a marketer has at his/her control. For example, the product can include certain colors, certain scents, and certain features. Product is either physical product or service, including variety of product mix, features, designs, packaging, sizes, services warrantees and return policies (Londre, 2009). The attributes of products, including brand name, quality, newness, and comfort, can affect the consumer behavior in addition the physical appearance of the product, packaging and labeling can also influence whether consumers notice a product in store, examine it, and purchase it (Owomoyela, 2013). Product is the most significant element of marketing mix as firms' celebrity is based on their products (Keegan, 1989). Kotler and Armstrong (2010) also

define the product as anything which is offered to a market to attend, acquire, use or consume and it may satisfy the consumers.

Product Quality

Product quality is the overall characteristics of a product that allow it to perform as expected in Satisfying customer needs (Jean, 2004). Level of quality is the amount of quality possessed by a product and consistency of quality is the degree to which a product is the same level of quality overtime. It can also be compared across competing products. Therefore, product quality interprets that quality is the satisfaction for customers and it is an investment for owners (Tilahn, 2018).

Poor product quality can destroy the reputation of a company's products, but in most cases it has an even more serious impact-when people see a company put out poor quality products, they strongly associate those poor-quality products as coming from a poor-quality company (Rediet,2020) A company that attains good reputation for the quality of its products and able to build the confidence of its customers and attracts them not only earns personal satisfaction and benefit but also contributes to the country's economic development"[2] (Rediet, 2020) .

The Product (Service) strategy

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

➢ **Market penetration is** the most frequently used strategy is to take the existing product in the existing market and try to obtain improved penetration of that market (Kotler and Armstrong , 2010).

➢ **Product development**: It involves a relatively major modification of the product or service, such as quality, style, performance, variety and so on (Kotler and Armstrong, 2010).

➢ **Market development**: This depends on finding new uses for the existing product or service by taking it in to entirely new markets

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[2] Quality and Standards Authority of Ethiopia, Dec,2003 Vol.4.No 5, pp-29

> ➢ **Diversification**: This quantum leap to a new product and market, involves more risk, and is more normally undertaken by organization which find themselves in markets which have limited, often potential (Ibid).

Product Branding, Packaging and Labeling

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

- ✓ **Branding:**

A brand is a name, term, design, symbol, or other features that identifies the goods and services of one seller from those of other sellers (Armstrong, 2009). Marketers should realize that the more customers equate quality with their brands, the more they buy. Consumers simply do not purchase brands that they either do not recognize or do not trust, no matter how much promotional activity is put behind them (Engle,2004). Therefore, managers need to brand their products in the best way possible to gain brand awareness by uses in a better way than competitors.

- ✓ **Packaging:**

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

- ✓ **Labeling:**

A label is a tag or sticker attached to a container or package that provides information about the seller or the manufacture (McDonald, 2004). Labeling performs several functions. It identifies the product or brand and might also grade the product. It also conveys such information as who made it, where it was made, when it was made, what it contains, how is it to be used, and how to use it safety. But one thing what we have to know is that misleading information is illegal action. Therefore, careful labeling should be necessary for the factory (Rediet, 2020; Donald, 2004).

Product and Customer Satisfaction

Products are defined as something that includes physical objects, services, events, persons, places, organizations, ideas, or mixes of these entities. Mammon (2012), Ateba et al. (2015) and Faris et al. (2016) indicated that among marketing mix elements, product significantly influences customer satisfaction. Ateba et al. (2015) in their research found that 104 (78.8%) participants agreed that product influences their satisfaction to their service providers. Moreover, Isa (2015) conducted a study on marketing mix tools for customer satisfaction in marketing found that product/service significantly affects customer satisfaction in the bank. Flowing from the relationship product and customer satisfaction of the studies above, one of the ways companies can increase market share is through having viable products. Organizations must encourage customers to open account and increase the service quality with different product innovation in order to achieve competitive advantage (Isa, 2015). Therefore, the relationship between service and customer satisfaction has been recognized.

2.1.1.2 Price

Price is the most sensitive element of marketing mix and it entails of money that customers pay for delivered products. Pricing a product is the only element in marketing mix that creates income whereas the other elements are costly (Haghighi, 2009). In other words, it refers about the amount of money charged for a product or service or the total values that consumers exchange for the benefits of having or using the product or service. (Ayadet, 2012). In addition, it is Price could be considered an attribute that must be scarified to obtain certain kinds of products or services (Kushwaha et al., 2015). Price is the most sensitive element of marketing mix and it entails of money that customers pay for delivered products.

Furthermore, price differs from the other three marketing mix; Product, distribution and promotion are all part of the process of providing something satisfying to the customer which contributes to the product being value to customers. Value refers to the benefits or satisfactions of needs and wants. Price mix includes retail/wholesale price, discounts, trade-in allowances, quantity discounts, credit terms, sales and payment periods (Londre, 2009). Other competitive factors being equal the further the price is above the industry average is the harder for a company to use non price enticements such as quality to overcome consumer resistance to higher prices. On the other side companies should take due consideration on the effect of the lower price not to be negated by the other factors, since low price alone does not attract buyers (Thompson, 2010).

Pricing objectives, strategy and methods

There are different objectives of pricing available for careful considerations. The selected pricing strategies can have their own impacts on the pricing strategy and market in which it relies on the objectives to employ.

Methods for price your product

A. Cost based pricing

To calculate products cost you need to include the cost of production, promotion and distribution. Add the profit level you want from the business to the product cost subtotal to determine your product price. The amount of profit you add to the product cost subtotal can be set according to three different methods (a profit percentage with product cost, add a percentage to an unknown product cost and blend of total profit and product costs). Each of the three costs based pricing methods described begin with a product cost subtotal (Kotler, 2010). There for, the company designs what it considers being a good product, totals the cost of making the product, and sets a price that covers costs plus a target profit.

B. Competition based pricing

Consumers will base their judgments of a products value on the prices that competitors charge for similar products (Kotler, 1996). The big advantage of competition-based pricing is that you are focused on your industry and therefore your competition. An industry focus looks closely at the types of existing and emerging competition.

C. Customer based pricing

Most business owners want to know "at what price do my customers think my product offers good value?" knowing your customers ensures you take a market focus with your business. You need to find out how your customer feels about various product prices and what they would do if the price changed. Customers change their buying habits according to product price. As a seller you need to find out how your target customers view your product and customer attitudes towards various prices or a price change (Kotler, 1996). As a result, pricing begins with analyzing consumer needs and value perceptions, and price is set to match consumers' perceived value.

D. Discount and Allowance pricing

Having set the overall price, the suppliers then have the option of offering different prices (usually on the bases of a discount) to cover different circumstances. Accordingly, the customers' need to balance the costs of producing a product with competition and the perception of your target customers to select the right product price. That is the reason why pricing takes creativity, time, research, good record keeping and flexibility. This Price consists of themes such as Trade Discount, Quantity Discount, Cash Discount, Seasonal Discount and Trade Allowances (Kotler & Armstrong, 2010). These types of discounts and allowances most often offered are:

- **Trade Discount**: Members of supplier's distribution chain (for example retailers and wholesalers) will demand and payment for their services (Kotler and Armstrong, 2010).

- **Quantity Discount**: These who offer to buy larger quantities of the product or service are frequently given incentives). Sellers use the quantity discount to encourage buyers to buy more. This in turn can help the seller to reduce their own production costs, which can help reduce price for the buyers (Tilahn, 2018).

- **Cash Discount**: Where credit is offered, it is sometimes decided to offer an incentive for cash payment or for prompt payment (Kotler and Armstrong, 2010).

- **Seasonal Discount**: Suppliers to markets which are highly seasonal (such as holiday market) will often price their product or service to match the day and with the highest prices at peak demand (Kotler and Armstrong, 2010).

- **Trade Allowances**: In the durable goods market suppliers often attempt to persuade consumers to buy a new pieces of equipment by offering allowance against trade-in of their old one(Kotler and Armstrong, 2010). Generally speaking, these are simply hidden discounts targeted at a group of existing competitive users.

From the above different types of discounts and allowances we can conclude that, discounts and allowances are reductions to the selling price of goods or services, they can be applied anywhere in the distribution channel between the manufactures, middlemen distributors, whole sellers, or retailers, and retail customer. Typically, they are used to promote sales, reduce inventory, and reward or encourage behavior that benefit the issuer of the discount and allowance

(Tewabet,2018). Thus, the company should focus the above price discount of seasons in order to serve and satisfy those customers in the best way and then in the long term the company achieving high profit from these price discounts.

Relationship between Price and Customer Satisfaction:

Price is one of the biggest factors that can affect a customer's satisfaction. Pricing is complex and has many components, but it is important to keep psychological pricing in mind. Sometimes customers aren't looking for the cheapest products, because a low price can be associated with low quality (Rediet, 2018). To determine price, it is important to benchmark against the competition to understand the industry standards and fluctuations. Furthermore, by measuring the price elasticity of demand you can gain insights on how much the quantity demanded changes with a shift in price.

Many consumers use price as an indicator of quality, higher-priced are perceived to possess high quality and vice versa (Kotler & Keller, 2009). Leverin and LiLjander (2006) suggest that marketing/organizations customer satisfaction is influenced by factors such as the price of services, or the number and severity of negative critical incidents. Ateba et al. (2015) in their research reflected those 107 (81.1%) participants agreed that price influences their satisfaction to their service providers. Faris et al. (2016) found that there is significant relationship between price of the tourism service and customer satisfaction. However, Chen & Chang (2005) suggest value (price) is perceived to have a small impact on customer satisfaction, but should not be neglected since value plays a role in enhancing the level of customer satisfaction in marketing. Faris et al. (2016) stated that there is insignificant relationship between price and customer loyalty in the Malaysian tourism sector. Moreover, Isa (2015) found that price is insignificantly related with customer satisfaction. Therefore, the relationship between price and customer satisfaction has been established (Yohanes, 2018).

Promotion

Promotion is the third marketing mix element that disseminating information about a product, product line, brand or company. Now a day treatment of the promotional mix, which its advocates call 'integrated marketing communications', may well result in the permanent replacement of 'promotion' (Mickael, 2003). In addition, Marketing communication includes all the identifiable efforts on the part of the seller that are intended to help persuade buyers to accept the seller's message and store it in retrievable form (John, ,2008). In related to this,

Marilyn and John (2007) note the scope of marketing communications is immense, including all advertising, sales promotions, personal selling, Internet marketing and media relations. Any form of paid-for communication may be viewed as marketing communication.

In addition, John (2008) asserts the following four components that make up marketing communication are (John, 2008).

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

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

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

✓ **Sales promotion:** Those marketing activities that add to the basic value of the product for a limited time period and thus directly stimulate consumer purchasing and dealer effectiveness. These activities include displays, shows and exhibitions, demonstrations, and various nonrecurring selling efforts not in the ordinary routine. As the provision for an additional incentive to buy, these tools can be directed at consumers, the trade, or the manufacturers own sales force.

These elements, in addition to attracting a new customer, can also be used to maintain customers and satisfy them on the purchase decision that they have made (Palmer, 2000, Woldekiros, 2019). The above-mentioned forms of promotion are Interdependent. This means the success of the promotion is dependent up on the success of each form of promotion. Advertising will not succeed unless good personnel selling and sales promotion support it. Marketers must work hard to communicate openly and honestly with consumers and resellers (Kirbel, 2018). Consumers base their expectations on information they receive from marketers, friends and any other sources. If the marketer exaggerates the product

performance through its promotional tools, consumer expectations will not be met, and dissatisfaction will result. In addition, the promotion can be made in the following promotional tools: They are

- **Televisions:** Television news usually tells fewer stories in few worlds. And the producer decides which stories to include in news casts, how long they should be and in what order they appeal.
- **Radio:** Radio stations can be great for reaching a wide audience their news departments usually cover news with the smallest staffs, in the shortest time for each story, and with the most frequent deadlines.
- **Magazine and other publication:** Are a way to read a very specific audience with a story? These publications are typically organized around an interest group such as business, health care or higher education.
- **Newspaper;** It is the simplest and cheap way to find out latest news.
- **Websites:** The Company in the current globalized world needs to reach out the internet technology friendly customers through web, designed to promote it.

This suggests that marketers should make product claims that faithfully represent the product's performance so that buyers are satisfied. Finally, promotion goes beyond aforementioned promotional tools. The product design, its price, the shape, color of its package and the stores that sell it. Thus, although the promotion mix is the company's primary communication activity, the entire marketing mix-promotion and product, price, and place must be coordinated for greatest impact (Harker, 2009, Kirbel, 2019).

Promotion and Customer Satisfaction

Promotion is sending a persuasive message about a particular product to customers. It is creative strategy depends on how the message is being delivered. If the communication is delivered ineffective, the customers will not understand the meaning and will not interested to buy the product (Kotler & Keller, 2009). Ateba et al. (2015), in their study found that 73.5%) participants agreed that promotion influences their satisfaction to their service providers. Mohammad et al (2012), in their investigation of the impact of marketing mix elements on tourist satisfaction found promotion to be significantly related to customer satisfaction. Mylonakis (2009), surveyed customer's satisfaction factors and loyalty and the findings point out that advertising (the humorous method) is generally accepted by people. However, Bena (2010), in a research on evaluation of customer satisfaction in services, found customers are dissatisfied with promotion. He recommended that Management should involve in

promotional messages that educate and enlighten customers and the companies should also use sales promotion that gives incentives such as discounts to customers to lower cost. Furthermore, Isa (2015) on his study found that there is insignificant relationship between promotion and customer satisfaction in the brewery. Therefore, the relationship between promotion and customer satisfaction has been established.

2.1.2.3 Place (Channel of distribution)

This promotional mix is named as channel of distribution. This is to how the product finally reaches the consumer (Borden, 1964). Providing of products at a place where is convenient for customers to access. This is how to deliver and distribute the product to the customer (Hutchison, 2009) From a consumer point of view, the channel through which they purchase products provide the most direct relationship with the supplier (McDonald, 2013). So the development of a strategy for the channel is important for the relationship an organization has with its customer. Many distribution systems are made up of channel intermediaries such as wholesalers and retailers (Hutchi 2010)

Channel of distribution

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

Merchant middlemen

Include merchant wholesalers and retailers who take title to and resell the goods.

Agent middlemen

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

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Place and Customer Satisfaction

Place refers to the seller must be able to figure out where their target customers usually shop for the product. By knowing where the place their customer conduct the purchasing act, they will be able to maximize their service to the customer and also minimize the cost of distribution and increase revenue (Kotler & Keller, 2009). The place where customers buy a product, and the means of distributing your product to that place, must be appropriate and convenient for the customer (CIM, 2015). The place aspects of the marketing mix are closely related to the distribution and delivery of products or services (Shin, 2001).

Mohammad et al. (2012), conducted research on impact of marketing mix elements on tourist satisfaction on East Lake assured significant relationship between place and customer satisfaction in the study area. Similarly, Ateba et al. (2015) in their study on the Marketing mix: its role in customer satisfaction in the South African banking retailing reflected that 115 (86.4%) participants agreed that price influences their satisfactory needs from the service provider. Faris et al. (2016) found that there is significant relationship between the place/distribution and customer satisfaction. However, Isa (2015) found that distribution/place of banking sector is insignificantly related to customer satisfaction. Therefore, the relationship between place and customer satisfaction has been established.

2.1.1.4 Customers Satisfaction

The concept of customer satisfaction

Most researchers agree that satisfaction is an attitude or evaluation that is formed by the customer comparing their pre-purchase expectations of what they would receive from the product to their subjective perceptions of the performance they actually did receive (Sriyam, 2010). Kotler and keller (2006) defines satisfaction as a person's feelings of pleasure or disappointment resulting from comparing a products or service's perceived performance (or outcome) in relation to his or her expectations.

Customer satisfaction is also defined as an "evaluation of the perceived discrepancy between prior expectations and the actual performance of the product" (Samuel, 2006). These definitions of customer satisfaction have in common that, if the performance falls short of expectations, the customer is dissatisfied. If the performance matches the expectations, the customer is satisfied. If the performance exceeds expectations, the customer is highly

satisfied or delighted. In conclusion, customer satisfaction is defined as a result of customer's evaluation to the consumption experience with the services. However, the customers have different levels of satisfaction as they have different attitudes and perceived performance from the product/service.

Determinants of Customer Satisfaction

Customer satisfaction depends on- a product's perceived performance in delivering value relative to a buyer's expectation. If the products performance falls short of the customer's expectation, the buyer is dissatisfied. If the performance matches expectations, the buyer is satisfied. If performance exceeds expectations, the buyer is delighted (P. Kotler, et al 1999). The followings are some of the determinants of customer satisfaction (Zeithaml, Bitner, 2003). These are:

2.2 Empirical Review

Different studies indicated how Market Mix is applied. For Mohamed and Pervaiz (1995) illustrate how the 7Ps framework can be applied to consumer goods and reports the results of a survey of UK and European marketing academics which suggest that there is a high degree of dissatisfaction with 4Ps. It also suggests that the 7Ps framework has already achieved a high degree of acceptance as a generic marketing mix among both groups of respondents.

Anderson et al. (1976) and Laroche (1988), customer satisfaction underlying position are the customer benefits of convenience and accessibility which are enabling factors that make it easy for the customer to do business with the wholesalers. The business ability to deliver these benefits on a continuing basis to its existing customers will probably impact on customer satisfaction. Earlier research by Brownlie, (1989) has recommended that some consumers have positive attitudes towards wholesale business based on dominant perceptions of Convenience/ accessibility/ ease of use. Reichheld and Sasser (1990) have recognized the benefits that customer retention delivers to a service firm. For instance, the longer a customer stays with wholesaling firms the more utility the customer generates. This is a result of a number of factors relating to the time the customer spends with a wholesaler. These comprise the higher initial costs of introducing and attracting a new customer, increases in both the value and number of purchases, the customer's better understanding of the wholesaler, and positive word-of-mouth promotion.

In Ethiopia with regards to Market Mix and Customer satisfaction there are different studies made by different scholarly works. Tilahn Tek (2020) examined the marketing mix taking product, price, place and promotion in satisfying customers of the Dashen Brewery and his examination and analysis revealed Dashen Brewery Share Company should retain its current marketing strategies in Addis Ababa because they have positive influences on consumers' satisfaction. Also, that DBSC should evolve other marketing strategies such as, give discounts to create and sustain customers' loyalty and create customer's friendly outlets to directly keep in touch with many small customers.

Woldekiros Haftu (2019) also examined the impact of marketing mix tools on customer satisfaction in Wegagen bank. The study applied explanatory cross sectional research design for which information was collected from both questionnaires and interview that were distributed among the customers and the higher officials of the bank during the banking hours respectively. The descriptive result of the study indicates customers are highly satisfied on promotion, People and physical evidence of the marketing mix tools; while, they are moderate on the remaining four marketing mix tools compare to these three variables. Besides, most customers have high overall satisfaction on the implementation of the marketing mix tools in the bank. And it recommends that the bank should exert much effort to improve the overall level of customer satisfaction on the marketing mix tools namely; product, price, place, people and process through introducing new and diversified process options, fair service charges and commissions, cooperative and skillful employees, enhancing customers and employee's technology knowhow and introducing fast and modernized services (Woldekiros Haftu , 2019).

Tarekegn Tewabe (2018) conducted study on the same topic again. The main objective of this study is to investigate the effect of marketing mix elements on customer satisfaction. The research analyzed the effect of each marketing mix elements of BMET Cable Industry. The research findings indicate that there is a significant relationship between marketing mix elements including product, price, place and promotion on customer satisfaction results showed that only price had a negative relation with customer satisfaction and promotion with small positive magnitude. Therefore, based on the findings the researcher has recommended that the company specially should adjust its pricing strategy by focusing on internal and external factors that affect pricing decision and also it should adjust promotion strategy.

Based on many of the studies conducted there is a literature gap that examines the market mix and customer satisfactions in detail with the Habesha brewery since 2020 to the knowledge of the researcher. Therefore, to make any further research in the topic here under study is very necessary. Most of the studies conducted have large set of benefits to solve the challenges, to examine the customer satisfaction as well as the objectives of the study aforementioned in the earlier chapter of the study.

2.3. Conceptual framework of the study

Conceptual framework is particularly useful to organize ideas and shows the relationship between variables. Conceptual frameworks are abstract representations, connected to the research's goal that directs the collection and analysis of data. Carroll's (1991) citied in the works of Moharana (2013) had described the fundamental model which could be argued to reflect the outcome of the discussion. In accordance with the research question, the conceptual framework was developed by the researcher to guide this study. In this study, marketing mix elements (product, price, promotion, and place) are independent variables whereas customer satisfaction is a dependent variable.

Independent variables   Dependent variable

Marketing Mix
- Product
- Price
- Place
- Promotion

Customer Satisfaction
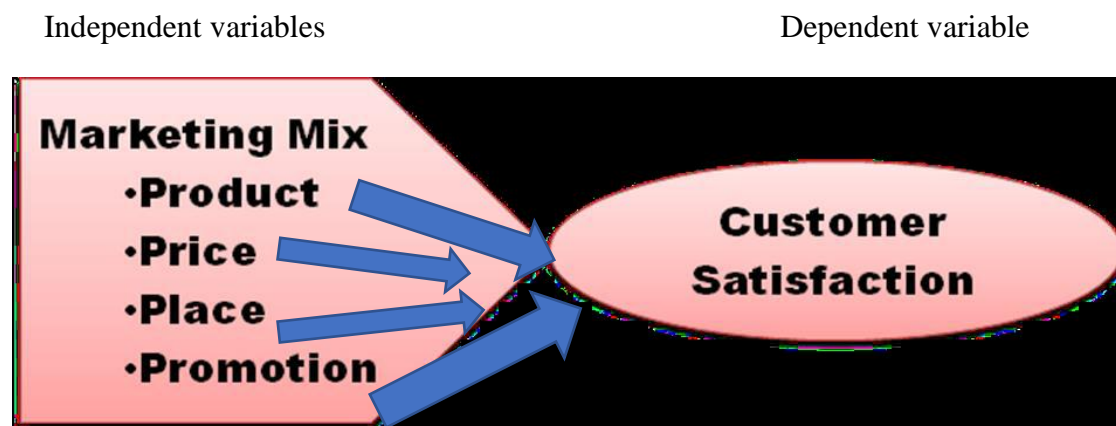
Figure 1: Conceptual framework of the study

2.4 *Research Hypotheses*

- H1: Product has a statistically significant positive effect on customer satisfaction

- H2: Price has a statistically significant positive effect on customer satisfaction

- H3: Promotion has a statistically significant positive effect on customer satisfaction

- H4: Place/distribution has a statistically significant positive effect on customer satisfaction.

CHAPTER THREE

RESEARCH METHODOLOGY

The purpose of this this chapter is to view general ideas about the research design and methodology on which the study is based. Generally, the research design, methods of data collection, source of data, sampling and sampling techniques, tools of data collection, procedure of data collection, methods of data analysis, validation of the collected data and triangulation were treated keeping their logical order sequences and procedures.

3.1 Approach of the Study

Based on the type of data, it is possible to design the study in selecting weather quantitative, type research. And the studies have used a cross-sectional data collection. To properly address the research problems, the study applied quantitative research approach. According to Creswell (2003) research method is the choice of research approach based on the nature of the assessment or evaluation. Quirk (1979) stated that the design and methodology of research is determined by the purpose of the study. Thus, the study employed quantitative research approach to properly address the research problem. The quantitative data were used in order to do more through statistical analyses (both descriptive and inferential) from the sample respondents. Quantitative research approaches are employed in this study. In addition, a cross sectional survey approach is used in gathering the data for the purpose to meet the research objective and finally providing findings for this research.

3.2 Research design

This study utilizes Habesha brewery based on mixed approach survey method to know the effect of market mix nexus customer satisfaction in Habesha Brewery Share Company. The research design employed in this study is cross sectional survey design which incorporates quantitative survey method. The rationale behind the choice of this approach is the short duration of the study which helps the collection of data to take place at one point in a time. For the purpose of collecting the necessary data and information the researcher recruited one data collector assistant. This research adopted a descriptive research type because it enables to answer the basic questions specified in the problem statement. Descriptive researches are those which define the current situation instead of inferring and making judgments (Creswell, 2007). Also explanatory research on the effect of marketing mix element's in customer

satisfaction. Due to the nature of the research which is to be studied at one time, it's preferred to use a Cross Sectional Descriptive data collection method.

3.3 Population, sample size and Sampling techniques

3.3.1. Population

The target population for this study mainly constitutes consumers of the Habesha Beer which are final product users that are found at the grocery However, the exact number of consumers is unknown (infinite population). Due to this, the researcher is unable to prepare a sampling frame to draw samples for the study purpose.

3.3.2. Sample Size Determination

Determining an appropriate sample size was a very important issue in such research because samples that are too large waste resources, while too small samples may lead to inaccurate. There are several approaches to determine the required sample size of the study population. As the number of consumers is infinite and is difficult to prepare source list, the researcher used survey from infinite population. In this case, the researcher was generating samples from the total population using sample size formula, which is presented in (Godden, 2004.)

Sample Size – for Infinite Population (where the population is greater than 50,000)

$$n = Z2 \text{ x (p) x } (1 - p)$$

C2

Whereas,

n= Sample Size

Z = Z-value (1.96 for a 95 percent confidence level)

P = Percentage of population picking a choice, expressed as decimal (0.5 standard deviation)

C = Confidence interval, expressed as decimal (e.g., .05 = +/- 5 percentage points)

A Z-value (Cumulative Normal Probability Table) represents the probability that a sample will fall within a certain distribution.

The Z-values for confidence levels is 1.96 = 95 percent confidence level:

n=   (1.96)2 *0.5*0.5   = 0.9604

(0.05)2 0.0025

Therefore, the sample size for the study is calculated to be 373 customers of Habesha beer.

3.4.3 Sampling Technique

Based on the literature, there are two main sampling methods, probability and nonprobability sampling (Zikmund, 2000). For this purpose, the researcher was used both probability (simple random sampling) and non-probability (convenience) sampling approach was applied in contacting target units (respondents) of the study. Non probability sampling (or non-random sampling) provides a range of alternative techniques to select samples based on subjectivity of the study judgment) from different type of this technique, the researcher selected Judgmental or purposive sampling technique means hand picking individuals from the population based on judgment or selecting the samples from the entire universe based on the researcher own criteria. (Saunders, Lewis, and Thornhill, 2009).

3.3 Method of Data Collection

The following sub sections of the proposal deal with the different methods that were in use to gather the primary and secondary data needed for the study and the kind of methodological triangulation that guided the data collection. Since the situation, market mix and customer's satisfaction is more complex to deal with it, the circumstances were better understood through generating qualitative data? Therefore, as the objective of the study is to mainly examine effect of market mix and satisfaction of customers so the objective of the study mainly articulates about the effect of market mix and customer's satisfaction then it involves various purposively chosen people the data was collected and analyzed qualitatively.

3.4 Sources of Data

Sources of data are of two kinds. Statistical data refers to data that are gathered for same purpose of assessment of the market mix and customer satisfaction as well. The necessary data was generated from both primary and secondary sources. The study attempts to generate qualitative data from the informants such as marketing managers of the corporation. The selection of these primary sources was reasonably done for the purpose of conducting the

interpretation of the study. On the other hands secondary data was collected by employing the procedures of document analysis like reports and journals of the company.

3.4.1 Primary data collection Methods

To collect the primary data needed for the study purpose, the researcher used use various methods of data collection including the primary data. The study uses a structured questionnaire by taking into account all the dimensions of marketing. Mix elements product, price, place and promotion and also the product purchase decision elements of the Habesha Brewery S.C. customers.

Questionnaires

In order to implement the research, questionnaires were prepared to the customers. The questionnaires were prepared and distributed to Habesha Brewery product consuming customers. The questionnaires support to get information freely from individuals for it enables individuals, to express responses that they do not want to respond orally (Desta, 2017). In addition, the open ended questions attached in the questionnaire allow the participants to give extra and different views.

The Questionnaires contain five questions such as promotion, price, place, and product quality and also include customer satisfaction were measured in Likert rating scale. The questionnaire was constructed by the researcher.

3.5 Secondary Data

In addition to the primary data collection method the researchers used data from secondary sources including published report, magazines, books and articles written about or emphasis on marketing mix and customer satisfaction as well as the different materials of the brewery. The secondary data was collected: this type of data typically comes from other related studies done by other institutions or organizations. In this research, both published and unpublished materials like books, reports, policy documents, website, and other relevant sources from the Brewery were used. The study was based on the information of the company database about the customers list and the collected customer compliant data of the company (because the company collects complains of the customer more than 3 times).

3.6 Method of Data Analysis

This section describes how each study variable was measured then explains the data analysis techniques was employed to achieve the study objectives.

In this study data analysis method was employed to answering the research question. The quantitative data was analyzed with the help of SPSS version 27. The major descriptive and inferential statistics techniques used for the questionnaire, such as:

- ❖ Frequency distributions and percentage, mean and standard deviation for demographic sample of the participants and variable item responses.
- ❖ Linear regression for promotion, price, place, and product quality and also include customer satisfaction.
- ❖ Pearson correlation was employed for to analysis relationship between promotion, price, place, and product quality and also include customer satisfaction in Habesha beer company.

3.7 Validity and Reliability

The reliability of instruments measures the consistency of instruments. Creswell (2003) considers the reliability of the instruments as the degree of consistency that the instruments or procedure demonstrates. Reliability refers to the absence of random error, enabling subsequent researchers to arrive at the same insight if they conducted the study along the same step again (Yin, 2003). Whether or not the indicators that make up the scale or index are consistent, internal reliability was tasted. Cronbach's alpha is the most commonly used taste of internal reliability (Bryman and Bell, 2007). Therefore, Cronbach's alpha was used to assess internal consistency of variables with the acceptable value of 0.70. The result of reliability test is presented as follow:

-

Table 3.8.1 The reliability coefficient for the measurement scales

	Number of Items	Cronbach's Alpha test
Customer satisfaction	4	0.877
Product	9	0.801
Price	5	0.702
Promotion	6	0.883
Distribution /Place	4	0.846
Customer satisfaction	4	0.702

Source: Own computation from primary data source, 2021

Validity is concerned with whether the findings are really about what they appear to be about (Sounders et. al., 2003). Validity defined as the extent to which data collection method or methods accurately measure what they were intended to measure (Sounders et. al., 2003). Numbers of different steps will be taken to ensure the validity of the study: the survey question was made based on literature review and frame of reference to ensure result validity.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4. Introduction

This chapter presents the data analysis, the research findings, or results, and based on the results, the researcher gives discussion on the findings and gives interpretation of the results. The study is to show the market mix and in the customer satisfaction of the brewery. The data collected from the respondents are presented and analyzed in this chapter. This section of the study deals with the statistical analysis and interpretation of the result using SPSS version 24.

A total of 373 questionnaires were distributed to the respondents of Habesha beer customers using no probability (convenience sampling) techniques. This sampling technique was selected because it enables the researcher to draw representative data by selecting samples from the population who are conveniently available and volunteering to participate in study. Also, the researcher used this technique in order to gather the data quickly. Out of these, 373 usable questionnaires were collected. This response rate is quite large to confidently run the analysis. Accordingly, the analysis of this study is based on the responses obtained from these respondents.

4.1 Demographic Characteristics of Respondents

Table 3: Demographic Characteristics of the Respondents

Respondents characteristics	Categories	Frequency	Percent
Gender	Male	253	67.8
	Female	120	32.17
	TOTAL	**373**	**100.0**
Age	18-25	99	26.54
	26-35	113	30.29
	36-45	90	24.12
	above 45 years	71	19.03
	TOTAL	**373**	**100.0**
Educational level	Never been to school	21	5.6
	Completed primary school	64	17.15

	Completed high school	123	32.97
	Completed diploma	54	14.47
	Bachelor Degree	91	24.39
	Master degree & above	20	5.2
	Total	**373**	**100.0**
	Never been to school	46	12.0
Income level (birr/month)	Below 2000	35	9.3
	2001-4000	137	36.72
	4001-6000	141	37.80
	Above 6000	60	16.08
	Total	**373**	**100.0**
Usage frequency	once per week	107	28.68
	2-5 days per week	73	9.09
	every day	104	27.88
	less than once per week	89	23.86
	Total	**373**	**100.0**

Source: Own computation from primary data source, 2021

The above table was designed to display the respondent's demographic characteristics. When we look at the sex of respondents 67.8% and 32.17% were male and female respectively. This result reveals that majority of the customers of Habesha beer are males. Therefore, the company should go to work extra miles to attract female customers through different strategies. Regarding age of respondents 26.84 %, 30.29 %, 24.12 and 19.03 are 18-25, 26-35, 36-45 and above 45 years respectively. This clearly indicates that almost half of the respondents are at an adult age which is sensitive to product quality, price, promotion and place/distribution. Therefore, the company is expected work hard to maintain those customers at productive age.

In terms of level of education under item table 4.1 indicates that respondent's educational qualification starting from certificate to Masters were interviewed. Higher number of the respondent have completed their high school about 123 (32.97) which accounted 64 (17.15 %); of the respondents have Diploma, 91 (24.39 %) have degree, and 20 of them were graduated in master's degree and above respectively.

With regards to the income level category of customers of Habesha beer, the research participants who took part in the study are 9.3%, 36.72%, 37.80 % and 16.08 % of the total respondents earn 2001-4000 birr and 4001- 6000 birr/month respectively, 9.3% of the total respondents earn below 2000 birr per month and the remaining 16.08% of the total

respondent earn above 6000 birr/month. Therefore, the company should consider the income generated by majority of its customers during the time of formulating its pricing strategy. Regarding the frequency of consumption of Habesha beer, the respondents were asked how often they drink or consume. As indicated above; above depicts that 104 (27.88) % of the respondents were consumer every day of the week, 107 (28.68) % consume once per week, whereas 73 (9.09) % of the respondents consume Habesha beer 2-5 days per week and the remaining 89 (23.86) % of the respondents consume even less than once per week or not consume the whole days of the week. Therefore, the company should aggressively work in developing the consumption rate of its consumers by applying various motivational tools.

4.2. Descriptive Statistics

In this part, various statistical data analysis tools such as mean, standard deviation, frequency and percentage were used to analyze the collected data. The summary of descriptive statistics of all variables that are evaluated based on a 5-point Likert scale ("1" being "strongly disagreed" to "5" being "strongly agreed"). According to Zaidaton & Bagheri (2009) the overall mean (M) score between 4.21 -5.00 is considered as the respondents strongly agreed (SA), if the respondents score between 3.41- 4.2 means they agreed (A), the score between 2.61-3.40 is considered as the respondents are neutral (N), the respondents score between 1.81-2.60 shows that they disagreed and if the respondents score between 1-1.80 shows that they strongly disagreed. Thus, detail of the analysis is presented as follows. To analyze the collected data in line with the overall objective of the research undertaking, statistical procedures were carried out using SPSS version 27.0 software.

4.2.1 Descriptive statistics for marketing mix elements

In the following part of the study customers were asked to separately evaluate each marketing mix elements and overall satisfaction, according to the gap between their perception and expectations, using a five-point Likert scale: 'strongly disagree', 'disagree, 'neutral, 'agree', and 'strongly agree'.

4.2.1.1 Descriptive statistics for product

Table 4.2.1.1 Descriptive statistics for product quality

No	Items	N	Mean	Std. Deviation
1	I think that product quality of Habesha beer is better than other beer's brand	373	3.50	.733
2	I think that the taste of Habesha beer is better than other beer brand	373	3.86	.742
3	I feel that Habesha beer product seems to have adequate ingredients	373	3.72	.589
4	I think that there is a consistence in the quality of Habesha beer	373	3.71	.701
5	I think that the packaging of Habesha beer is attractive aesthetics and easy to use	373	3.50	.733
6	I remind Habesha beer at first when I wanted to drink beer	373	3.64	.480
7	I think that Habesha beer is not making change in design and bring new products	373	3.71	.452
8	I think that Habesha beer is not adding unique features in the existing product	373	3.57	.726
9	I think that Habesha beer is not respond to change in customer perception and needs	373	3.50	.825
	Aggregate		3.6371	.154

Source: own computation from primary data source, 2021

The respondents were asked four questions to measure the level of their satisfaction towards the company product. The questionnaires were designed to collect the respondents' attitude towards how the company products fulfilled their needs, want & desire; demand & preference. The aggregate mean for product quality was 3.637. This implies that respondents have agreed and contented with the product are contented with the product quality.

The analysis was conducted as follows. The scored mean value of the first sub-construct, that means, I believe Habesha beer has the quality of my expectation was mean value 3.50 and standard deviation .733, indicating that the respondents agreed on and feel all right with the case described. The results of this analysis proved that respondent are satisfied with the Habesha beer product as it is delivered as per their expected quality. The scored mean value for the second sub-construct which is of Habesha beer is better than other beer brand mean

value was 3.86 indicating that the respondents agreed on this sub-construct. The sub-construct's standard deviation was .742, the result of this analysis proved that respondents are satisfied with the company's product.

As shown in the above table the majority of respondents were agreed with the sub constructs i.e. I feel that Habesha beer product seems to have adequate ingredients, with the scored mean value 3.72 that indicated satisfaction of the respondents with the case described and the standard deviation was 589. The second sub-construct i.e. I think that there is a consistence in the quality of Habesha beer was mean value 3.71 and standard deviation .701.
The scored mean value for the sixth sub-construct i.e. I remind Habesha beer at first when I wanted to drink beer mean value 3.64 with standard deviation of .480, with this result we can understand that customers of Habesha beer are their primary product and consume other beer. Then, they agree to switch this brand because as they replied and the mean value for this attribute shows that customers were agree. The scored mean value for the seventh sub-construct i.e. I think that Habesha beer is not making change in design and bring new products was 3.71 with standard deviation of .452, with this result we proven that customers are agreed as the mean value reflected and satisfied with the company product.

Customers were agreeing on both statement of eight and nine sub-construct on the issue of Habesha beer is not adding unique features in the existing product and not need to change customer perception and needs. To sum up, customer aggregate response shows that the product quality was affect their satisfaction on Habesha beer with mean value of 3.63 and standard deviation .154.

4.2.1.2 Descriptive statistics for product price
Table 4.2.1.2 Descriptive statistics for product price

No	Items	N	Mean	Std. Deviation
1	Habesha beer product is reasonable	373	2.86	.608
2	Compare the price of Habesha beer with other beers	373	2.69	.583
3	Do you think that can you switch to other beer brands if you get a Habesha beer	373	1.92	.573
4	Do you think that are you satisfied with Habesha beer product price relative to other beer brands price	373	2.77	.582
5	Habesha beer officer's seasonal discounts and incentives	373	2.22	.649
	Aggregate		2.4929	.33566

Source: own computation from primary data source, 2021

The respondents were asked four questions to measure the level of their satisfaction towards the company product pricing. The questionnaires were designed to collect the respondents' attitude towards how the company product pricing fulfilled their needs, want & desire; demand & preference

The aggregate mean value (2.49) shows that product price was not the factor of customer satisfaction on Habesha beer. According to customer agreement mean between 1.81-2.60 shows that they disagreed.

Item wise, with regard to the first item or statement, Habesha beer product is reasonable, with the scored mean value points 2.86 that the satisfaction of the respondents with the case described and the standard deviation was .608. In this regard the Habesha beer customers believe that the price is not attract them to consume the product and they are disagreeing with this issue.

The scored mean value for the second sub-construct i.e. compare the price of Habesha beer with other beers that affect customer satisfaction was indicate mean value of 2.86, the standard deviation was 0.60, this result proven that the Habesha beer customers was not affected by Habesha price compare to other beer price because they got all beer on similar price. Then the mean value shows that the customers were disagree the effect of Habesha beer price compare to other beer.

The scored mean value for the third sub-construct i.e. Do you think that can you switch to other beer brands if you get a Habesha beer was 1.92, with standard deviation of .57, with this result we can understand that customers of Habesha beer are not their primary product and consume other beer when they get other beer type. Then, they strongly disagree to switch this brand because as they replied and the mean value for this attribute shows that customers are strongly disagree. The scored mean value for the fourth sub-construct i.e. Do you think that are you satisfied with Habesha beer product price relative to other beer brands price was 2.77 with standard deviation of .57, with this result we proven that customers are disagreed as the mean value reflected and satisfied with the price with compare to other beer by the company relative to other beer brands.

4.2.1.3 Descriptive statistics for promotion

Table 4.2.1.3 Descriptive statistics for product promotion

No	Items	N	Mean	Std. Deviation
1	I observed that Habesha beer participates in community development and public affairs	373	3.72	.450
2	Habesha beer promotion activates are frequently updated	373	3.57	.496
3	My decision to consume Habesha beer is influenced by advertisement	373	3.56	.620
4	promotion by use sales persons retailers and distributers keep me informed about Habesha beer	373	3.57	.496
5	promotion by advertisement [media] is more effective than personal efforts [sales person retailer and distributors] informing about Habesha beer	373	3.72	.584
6	The promotion activity of Habesha beer is ethical	373	3.49	.623
	Aggregate		3.6023	20340

Source: own computation from primary data source, 2021

The respondents were asked six questions to measure the level of their satisfaction towards the company's promotion. The questionnaires were designed to collect the respondents' attitude towards how the company promote its product to fulfill their needs, want & desire; demand & preference of customers; Let us see it in detail in the following manner. As shown in the above table the respondents were strongly agreed on Habesha beer participates in community development and public affairs to initiate customers for purchasing with the scored mean value of 3.72 with standard deviation of 0.450, (pm3) respondents consume Habesha beer is influenced by advertisement products of the company with mean value of 3.57 and standard deviation of 0.496 and (pm4) promotion by use sales persons retailers and distributers keep me informed about Habesha beer with the scored mean value 3.57 and standard deviation of 0.496 in this all three attributes there scored mean vales ranges between 3.41- 4.2, this proved that Habesha beer customers are agreed with these issues and they are satisfied.

The third attribute that means Habesha beer share Co. products are promotion activates are frequently updated with scored mean value of 43.57 and standard deviation of 0.496 customers are agreed with this attribute. Similarly, the ethical promotion activity of Habesha

was influence customer satisfaction with scored mean value of 3.49 and standard deviation .62. Finally, regarding the promotion attributes of Habesha beer companies, the average mean value was 3.72, this reflects the company promotion by advertisement is more effective than personal efforts informing about Habesha beer strategically that attract and take the attentions of its customers and this proven that customers are agreed with the product promotion of Habesha beer and they feel satisfaction.

Generally, the respondent aggregate response on the effect of product promotion on their satisfaction on Habesha beer shows agree which was confirm their agreement mean value of 3.60 and standard deviation of 0.203.

4.2.1.4 Descriptive statistics for product distribution

Table 4.2.1.4 Descriptive statistics for **product distribution**

No	Items	N	Mean	Std. Deviation
1	Do you get the Habesha beer product near to your neighborhood as you needed	373	3.71	.452
2	do you get Habesha beer product easily as per your requested quantity	373	3.07	.458
3	do you agree that the company distribute its product as promised with consistence product and customer demand	373	3.29	.452
4	I am satisfied with the Habesha beer product availability	373	3.36	.611
	Aggregate		3.3571	.20547

Source: own computation from primary data source, 2021

As shown in the above table the respondents were strongly agreed with the sub-constructs i.e.do you get the Habesha beer product near to your neighborhood as you needed with the scored mea value of 3.71 and standard deviation of 0.45, do you get Habesha beer product easily as per your requested quantity with scored mean value of 3.07 and standard deviation of 0.458 and (pl4) I am satisfied with the Habesha beer product availability with the scored mean value of 3.36 and standard deviation of 0.611. And also, the respondents agreed with the attribute; do you agree that the company distribute its product as promised with

consistence product and customer demand with mean value of 3.29. These results proved that Habesha beer customers were satisfied with the placement and distribution strategies that the company apply and make them satisfied.

Generally, the respondent aggregate response on the effect of product distribution on their satisfaction on Habesha beer shows agree which was confirm their agreement mean value of 3.357 and standard deviation of 0.205.

4.3 Descriptive statistics for customer satisfaction

No	Items	N	Mean	Std. Deviation
1	I am satisfied with the test of Habesha brewery	373	3.71	.882
2	I am satisfied with the price of Habesha beer offering	373	3.64	.812
3	I am satisfied with the availability of Habesha beer offering	373	3.86	.640
4	Over I'm satisfied with the quality of Habesha beer products	373	4.07	.705
	Aggregate		3.8214	.19915

Source: own computation from primary data source, 2021

The above table shows the level of customers' satisfaction on the listed service marketing mix items. Accordingly, the highest mean score is 4.07 by Item 4, indicating that customers increase their inspiration to drink Habeshabeer. Regarding to ' I am satisfied with the test of Habesha brewery'' item mean value score 3.71 and standard deviation was .882, this result proven that the Habesha beer customers are satisfied.

Similarly, the two statement mean score shows that agree on the item of ''I am satisfied with the price of Habesha beer offering'' (3.64) and ''I am satisfied with the availability of Habesha beer offering'' (3.86). The mean value for this attribute shows that customers are agreed.

Generally, the total aggregate mean value of customer satisfaction shows that 3.82 and standard deviation was .199. he respondent's response confirm their agreement were agreeing on their satisfaction on Habesha beer.

4.4 Pearson Correlation Analysis

Correlation means relationship between two variables. It measures the degree to which two sets of data are related. Higher correlation value indicates stronger relationship between both sets of Data (Coetzee, 2003). Correlation Analysis is to show the strength of the association between the variables involved. Inter-correlations coefficients (r) were calculated by using the Pearson's Product Moment (Gaur, A., & Gaur, S. (2009). (Gaur, A., & Gaur, S. (2009) also state that the output of correlation matrix can be the correlation coefficient that lies between -1 and +1 within these 39 frameworks, a correlation coefficient of +1 indicates a perfect positive relationship, and a correlation coefficient of -1 indicates a perfect negative relationship; whereas a coefficient of 0 indicates no liner relationship. According to Gaur, A., & Gaur, S. (2009) Value of coefficient Relation between variables 0.70-1.00 Very strong association, 0.50-0.69 moderate association, 0.30-0.49 low association, 0.10- 0.29 very Low association, and 0.01-0.09 negligible association.

Table 4.7.1 Correlation matrix between marketing mix elements and customer satisfaction (N=373)

			1	2	3	4	5
1.	Customer Satisfaction	Pearson Correlation	1				
		Sig. (2-tailed)					
2.	Product	Pearson Correlation	.947**	1			
		Sig. (2-tailed)	.000				
3.	Price	Pearson Correlation	.142**	.069	1		
		Sig. (2-tailed)	.009	.204			
4.	Promotion	Pearson Correlation	.943**	.914**	.068	1	
		Sig. (2-tailed)	.000	.000	.215		
5.	Distribution/ place	Pearson Correlation	.907**	.831**	.266**	.826**	1
		Sig. (2-tailed)	.000	.000	.000	.000	

**. Correlation is significant at the 0.01 level (2-tailed).
Source: own computation from primary data source, 2021

As per the above table, the coefficient show that all independent variables were positively related with dependent variable (customer satisfaction) within the range of 0.205-0.860, were all are significant at p<0.01 level. The independent variables promotion, place, and product shows highest and strong positive relation at r = 0.943**, r = .907**, and r = .947**

respectively. Price has a low but positive correlation with (i.e. r= 0.142) customer satisfaction. And the Table also shows that the correlation of the independent variables within themselves. It can be noted that all variables are positively correlated with each other where the strongest correlation goes between promotion and place at 0.826 and product and place 0.831. The low correlation was between price and place with the value of .266.
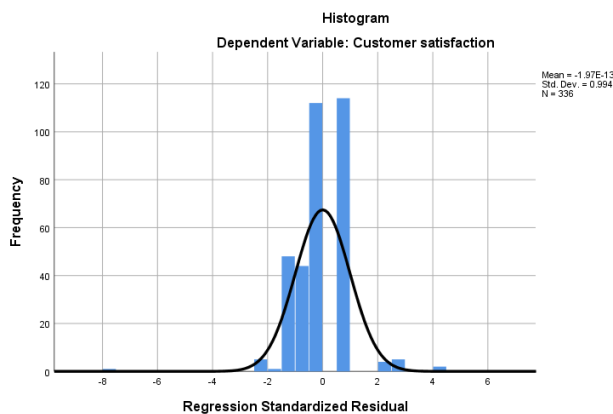
4.5 Diagnostic test

4.5.1. Normality test

Figure 1 Independent grouped frequency distribution for customer satisfaction

The above graph indicated that the frequency distribution of respondents respond on independent variables were almost normal distribution that influence customer satisfaction scale. Data meet the assumption of error being normally distributed and the variance of the residual being constant.

4.5.2. Multi collinearity test

Tolerance	VIF
.144	6.953
.843	1.186
.148	6.768
.239	4.182

The Multi collinearity test indicated that all dimension of Variance Inflation Factor (VIF) is <10 which shows that the independent variables are not strongly correlated. Generally, Pearson correlation and multiple regressions are supported and valid by Multicollinearity test.

4.5.3. Homoscedasticity test

Homoscedasticity is the variability in scores for variables of independent should be similar at all values of variable dependent. In order to ensure the fulfillment of this relationship between independent variable and dependent variable, the variance of dependent variable values must be equal at each value of independent variables (Hair, 2010). For a basic analysis it is worth plotting ZRESID (Y-axis) against ZPRED (X-axis), because this plot is useful to determine whether the assumptions of random errors and homoscedasticity have been met. Decision rule: If there were certain variant, such as organize shaping dot (waves, fuse and narrow), therefore no homoscedasticity happened. If there were not certain variant, and dots spreads above and below 0 numbers in axis Y, then homoscedasticity did happen (Pallant, 2005).

Normal P-P Plot of Regression Standardized Residual
Dependent Variable: Customer Satisfaction
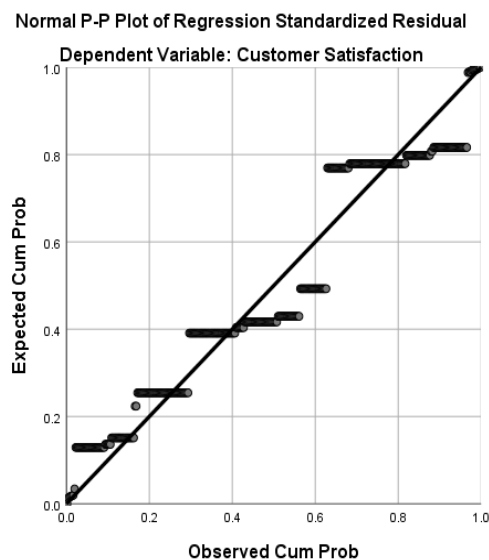
The Normal P-P plots show that there is homoscedasticity. Thus the assumption is reasonably supported in this study.

4.5.4. No autocorrelation test

Regression analysis is based on uncorrelated error/residual terms for any two or more observations (Kothari, 2004). This assumption is tested for each regression procedure with the Durbin-Watson test, which test for correlation between variables residuals. The test statistic can vary between 0 and 4 with a value of 2 meaning that the residuals are uncorrelated (Field, 2009). A value greater than 2 indicates a negative correlation between adjacent residuals, whereas a value below 2 indicates a positive correlation. As a general rule, the residuals are independent (not correlated) if the Durbin-Watson statistic is approximately

2 (see table 4.5.4 below), and an acceptable range is 1.50 - 2.50 (Pallant, 2005). In this study the Durbin-Watson value was 2.02, which is very close to 2, therefore it can be confirmed that the assumption of independent error has almost certainly been met.

Table 4.5.4 Model summary of Durbin Watson

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	a.
1	.980ᵃ	.961	.961	.03944	2.02	r

edictors: (Constant), promotion, price, place, and product

4.6 Multiple Regression Analysis

Hypothesis test was employed by linear regression which was test independent variables such as promotion, price, place, and product quality and also include customer satisfaction can predict customer satisfaction and help to determine to what extent predict the variable.

Model Summaryᵇ

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
					Change Statistics					
1	.980ᵃ	.961	.961	.03944	.961	2052.914	5	367	.000	2.852

a. Predictors: (Constant), place, price, promotion, product

45

b. **Dependent Variable: customer satisfaction**

The model summery table shows that R Square was found to be .961 (96.1%). Therefore, the result indicating that independent variables (product, price, promotion, and place) altogether explained 96.1% of the variance in the dependent variable (customer satisfaction) at the significant level of p = .00 was also F-statistic (5, 367) = 2052.914

A simple linear regression test simple linear regression test predictor variable and one predicted variable (customer satisfaction). Findings of the regression analysis showed that product, promotion, and place have positively significantly determined customer satisfaction. However, price did not cause a statistically significant effect on customer satisfaction.

Next, the adjustment of the relative standardized beta weight (β) values of the four predictor variables on the dependent variable is reported in table below.

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	-.177	.058		-3.069	.002	-.290	-.064
Product	.488	.037	.379	13.274	**.000**	.416	.561
Price	.006	.007	.011	.929	**.353**	-.007	.020
Promotion	.338	.028	.345	12.256	**.000**	.284	.392
Place/ distribution	.295	.021	.304	13.734	**.000**	.252	.337

The above table result indicates that product was the highest (β = 0.379, p value <0.05) determinant and predictor to customer satisfaction. Likewise, promotion positively affected customer satisfaction at positive (β = 0.345, p value <0.05). Place or distribution has caused a statistically significant effect on customer satisfaction (β = 0.304, p value <0.05). However, price of the product did not cause a statistically significant effect on customer satisfaction (β = 0.011, p value >0.05).

4.7. Discussion of the Result

This study was aimed to assess the marketing mix elements in promoting the customer satisfaction on Habesha Brewery Share Company. For the purpose of this study four hypotheses were developed, brief discussion on each hypothesis is given below.

According to the test result of this study, the data collected support the hypothesis developed and showed product has a significant relationship with customer satisfaction. The grand mean value of the independent variable result shows the value of 3.85 which is between the range of score (3.41-4.20) that shows important level. The correlation analysis reveals product show the second highest and positive relation (i.e. 0.721) with the dependent variable Customer satisfaction.

The study result has proven that price has a positive and significant relation with customer satisfaction in Habesha brewery Share Company so the researcher rejected null hypothesis. The average mean value of the independent variable price is 3.98. Correlation analysis proves that the independent variable is correlated with dependent variable by 0.205.

The study result has proven that promotion has a positive and significant relation with customer satisfaction in Habesha brewery Share Company so the researcher rejected null hypothesis. The mean value of the independent variable promotion is 4.31 which are between the range of score (4.21-5.00) that shows a very important level. The independent variable promotion holds the first position in determining customer satisfaction of Habesha beer. Correlation analysis proves that the independent variable is correlated with dependent variable by 0.860 correlation value. The degree of promotion, with the goal to have Habesha beer is critical to what extent customer is satisfied for Habesha brewery product. Promotion, in recent times, has become the life birth of the modern business. It is a device for gaining and maintaining a competitive advantage in the market by communicating the benefits of products of a factory to a large number of people, which in turn facilitates sales to achieve long run profitability performance. The promotional message should be carefully designed in such a way that it can easily be understood to the potential and target customers. The result was also supported by a study which was conducted on the assessment of marketing mix strategy on Dashen beer by (Hassen 2014) and the result showed that Promotion is not only stimulates sales but also create customer loyalty and hence market expansion.

According to the test result of this study, the data collected support the hypothesis developed and showed place has a positive and significant relationship with customer satisfaction. The grand mean value of the independent variable result shows the value of 4.24. The correlation analysis reveals place shows the third highest and positive relation (i.e. 0.582) with the dependent variable Customer satisfaction. The result was also supported by a study which was conducted on the Assessment of marketing mix in increasing Customer Satisfaction by (Zelalem, 2011) and the result showed that distribution system of the factory products, majority of the respondents are satisfied with the product availability and distribution practices of the company.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

The researcher has tried to examine assessment of marketing mix on customer satisfaction. This chapter presents the major findings of the study, conclusions and recommendations based on the analysis and discussion made in the previous chapter.

5.1. Summary of the major finding

The purpose of the study was to assess the marketing mix on consumer satisfaction in Habesha brewery Share Company The research was guided by the following objectives: To examine the product quality and customer satisfaction, to analyze the effect of promotion customer satisfaction, to assess the price of company's product and customer satisfaction, to examine the impact of product distribution on customer satisfaction the study was conducted on Habesha brewery Share Company. The survey population comprise different type of customer from which majority of them are familiar in Habesha beer. Since its challenging to cover all population through survey, this study has used sampling techniques to arrive at representative sample. Thus of 373 respondents were randomly sampled for the survey. The study uses descriptive research design and the study was carried out through collecting data by questioner from the customer of Habesha beer. In addition, secondary data also gathered by reviewing different books, research papers, articles, journals and websites. Probability (random sampling) and non-probability (convenience) sampling was used

Information collected from consumers through questionnaire was analyzed quantitatively using descriptive statistics (mean and standard deviation) correlation analysis using SPSS version 27. In the findings it was seen that there are four major findings which are presented below With regards to product quality and customer satisfaction; it was also established that majority of the respondents agreed that product quality has a positive impact on marketing mix, product ingredient, brand awareness performance, packaging influence consumer-perceived product quality, packaging used describes the product and its use, packaging is used to attract attention, company's brand image, and loyalty has an influence on profitability of a company and package designs increases Habesha beer is attractive and packaging aesthetics and easy to use Habesha beer product seems to have adequate ingredient be the major factors which affect the satisfaction of its customers. But there is a lower mean score of

adding unique feature in the existing product and making change in design and bring new product. The results indicate the product element enabled the company to meet customers' needs above average.

> Secondly the with regards to effect of promotion on customer satisfaction. It was also established that majority of the respondents agreed that use of promotion is one of the backbones of any business because it generates the required awareness about the products or service among customers. A good promotional strategy should correlate well with the long-term marketing plans and goals of the business. The mean values from the research finding explained that the respondents' perception on promotional strategy dimensions, indicated the most respondents agreed on promotional activities of Habesha beer is ethical. Promotion by use sales persons, retailers and distributes keep informed about Habesha beer is low value. Generally, the promotional strategy dimension indicates above table somehow powerful to create the required awareness to target customers. The results show that the company pro motional strategies play a vital role in the creation of awareness and influence the company profitability positively.

> In third degree the findings indicate that the impact of product distribution on customer satisfaction. The availability of Habesha beer was registered the highest score and the store is located at convention place of shopping of Habesha beer had got the least mean score value and standard deviation. Therefore, high score value implied that these factors are paramount important in affecting customer satisfaction. The results show that place/ distribution strategy averagely effectively.

> Moreover, the final finding was in the relationship between the price of company's product and customer satisfaction. It was established that majority of respondents disagreed to change their perception to ward company product because all beer product is similar price.

The brewery market is becoming tougher and too competitive in Ethiopia because of different global, regional and local changes. The brewery industry in Ethiopia is becoming a very competitive environment where maximum efficiency and sustainable competitive advantage are critical for the success of a company. And in the current business environment establishing an effective marketing strategy is becoming an increasingly important practice to enhance competitiveness.

This study investigated the determinants of brewery preference and selection criteria by customers. The study is motivated by the need to address the issue in Ethiopian context by providing recent and extensive evidence collected from Habesha beer customers. In order to asses those factors which influence customer satisfaction four variables. (Product, promotion, and placement) are taken to consideration.

The findings assert that all variable is found to be influential to determine customer satisfaction. The correlation obtained from statistical analysis illustrate product, promotion and placement are highly relation to customer satisfaction. Price has low correlation with customer satisfaction. The price of the company product is found have positive but insignificant effect on customer satisfaction.

The entire research objective for this study was attained; the general objective of this study was to determine the marketing mix elements in promoting customer satisfaction. The study was conducted on Habesha brewery Share Company in Addis Ababa. All selected marketing mix elements except product price have significant relation with customer satisfaction. According to the findings, independent variables; product, promotion and place has a significant and positive effect on customer satisfaction.

5.2. Recommendations

The focus of this research was on Habesha beer consumers that could provide useful insight for any concerned organs especially for the company's management, industry societies and researchers. The main goal of this thesis was to determine the marketing mix elements in promoting customer satisfaction.

From the findings and conclusions of this study promotion and place are the most important influencing factors of customer satisfaction for consumers of Habesha beer. Habesha brewery Share Company should take into consideration that the important determinants in promoting their consumer's satisfaction is promotion and place. Therefore, in order to avoid easy switch of consumers Habesha Brewery should not only concentrate on promotion and place attributes in creating high satisfaction for its consumers but also it should have improved especially its price related issues why because this study proven that consumers may switch to other beer brands if they got a price discount there.

Moreover; the researcher provides the following recommendations:

- With regard to product, the Company must make unreserved effort to provide its customers with more advantages than the competitors must in order to increase customer satisfaction by adding adequate ingredients, adding unique features in the existing product and making change in design and bring new product.

- With regard to product promotion, assuming that promotional activities have a great role in increasing the number of customers, the company should build brand loyalty through coordinating various promotional tools i.e. events sponsorship, corporate social responsibility also sales persons, retailers and distributers keep informed about Habesha beer.

- With regard to distribution, the brewery company should expand their branches, having a safety stock, increase number of distributes so as to make customer convenient.

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Appendix I

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ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES
MARKETIMG MANEGMENT PROGRAM

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Research Questionnaire for Customers

Dear respondents;

The main purpose of this questionnaire is to gather the relevant data Marketing Management the research is to be conducted on Habesha Brewery with the title of effect of marketing mix in on customer satisfaction: the case of Habesha brewery Share Company. Hence, you are kindly requested to give genuine and honest response. All the information will be kept confidential and used only for the academic purpose.

This study is aimed at finding out the level of customer satisfaction with regard to the product quality, price charged, the distribution mechanism and promotion utilized by the factory. I kindly ask you to give few minutes of your time to answer the questions. Your answers will be handled strictly confidential and will exclusively be used for the purpose of this research. Therefore I request you to answer the questions as honest as possible, in order to contribute to the success of this research.

Thank you in advance for your cooperation.

Instruction I

- Writing your name on the questionnaire is NOT needed.
- Use thick mark (✓) to your response of each closed-ended questionnaire from the given rating scales.
- Write briefly your response based on the Federation experience/context.

Personal information

- Personal background
  - ➢ Sex: Male ☐   Female ☐
  - ➢ Age: 18-25 ☐   26-35 ☐   36-45 ☐   above 45 ☐
  - ➢ Occupation

□ Government employee □ Non-government employee □ Private business owner

➢ What is the monthly income level?

□ Below 1000

□ 1001-3000

□ 3001-5000

□ Above 5000

➢ Educational background:

Certificate □   Diploma □ 1st degree □ 2nd degree □ 3rd degree □ other □

Instruction II: Please put thick mark '✓' under 5=strongly agree, 4=agree, 3=undecided, 2=disagree, and 1=strongly disagree in the table below.

No.	Product quality	5	4	3	2	1
1	I think that product quality of Habesha beer is better than other beer's brand					
2	I think that the taste of Habesha beer is better than other beer brand					
3	I feel that Habesha beer product seems to have adequate ingredients					
4	I think that there is a consistence in the quality of Habesha beer					
5	I think that the packaging of Habesha beer is attractive aesthetics and easy to use					
6	I remind Habesha beer at first when I wanted to drink beer					
7	I think that Habesha beer is not making change in design and bring new products					
8	I think that Habesha beer is not adding unique features in the existing product					
9	I think that Habesha beer is not respond to change in customer perception and needs					

No.	Promotion	5	4	3	2	1
1	I observed that Habesha beer participates in community development and public affairs					
2	Habesha beer promotion activates are frequently updated					
3	My decision to consume Habesha beer is influenced by advertisement					
4	promotion by use sales persons retailers and distributers keep me informed about Habesha beer					
5	promotion by advertisement [media] is more effective than personal efforts [sales person retailer and distributors] informing about Habesha beer					
6	The promotion activity of Habesha beer is ethical					

No.	Distribution	5	4	3	2	1
1	Do you get the Habesha beer product near to your neighborhood as you needed					
2	do you get Habesha beer product easily as per your requested quantity					
3	do you agree that the company distribute its product as promised with consistence product and customer demand					
4	I am satisfied with the Habesha beer product availability					

No.	Price	5	4	3	2	1
1	Habesha beer product is reasonable					
2	Compare the price of Habesha beer with other beers					
3	Do you think that can you switch to other beer brands if you get a price discount there					
4	Do you think that are you satisfied with Habesha beer product price relative to other beer brands					
5	Habesha beer officers seasonal discounts and incentives					

No.	Customer overall satisfaction	5	4	3	2	1
1	I am satisfied with the test of Habesha brewery					
2	I am satisfied with the price of Habesha beer offering					
3	I am satisfied with the availability of Habesha beer offering					
4	Over I'm satisfied with the quality of Habesha beer products					