

**ST.MARY'S UNIVERSITY**  
**SCHOOL OF GRADUATE STUDIES**



**DETERMINANT OF FACTORS AFFECTING CUSTOMER  
SATISFACTION OF BOTTLED WATER IN ETHIOPIA IN THE  
CASE OF ORIGIN NATURAL MINERAL WATER**

**BY:  
SHIMELS AJEMA**

**MAY , 2019  
ADDIS ABABA  
ETHIOPIA**

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**A THESIS SUBMITTED TO SCHOOLS OF GRADUATE STUDIES  
OF ST. MARY'S UNIVERSITY IN PARTIAL FULFILLMENTS OF  
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IN MARKETING MANAGEMENT**

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## DECLARATION

I **Shimels Ajema**, the undersigned declare that this thesis is my original work, prepared under the guidance of **Asfaw Yilma (PhD)**. All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or full to any other higher learning institution for the purpose of earning any degree.

Shimels Ajema

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## ENDORSEMENT

This thesis has been submitted to ST.MARY'S University School of graduate studies for the examination with my approval as a University Advisor.

**Asfaw Yilma (PhD)**

**Advisor**

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**Signature & Date**

## DEDICATION

My special tribute go to my family who provide an extraordinary encouragement in this scholastic career and I could never have done this without my family faith, support and constant encouragement. Thank you for teaching me to believe in myself and in God, and in my dreams.

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Last but not least; my sincere thanks goes to all respondents that participated and responded, for taking their time to complete the given questionnaire and providing the necessary details needed in the overall task of data collection.

## ACRONOYM

**4ps:** Product, Price, Place and Promotion

**SPSS :** Statistical Package For Social Science

**TDS :** Total Dissolved Solid

**PHD:** Philosophy of Doctors

**MA:** Master of Art

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## *Abstract*

The expansive of bottling firms and marketing opportunity of bottled water are clear indicators to represent Ethiopian as a home of suitable investment opportunity for bottled water sector. The aim of

this study is determinant of factor affecting customer satisfaction of bottled water in Ethiopia in the case of origin Natural mineral water. Explanatory research design and mixed research approach is applied. The target population includes consumers of origin mineral water in Addis Ababa City. In this study sample size consisted of 351 customer and there distributor or wholesaler. Sampling is done by convenience techniques. The study was used both questionnaire and interview date collection instruments. Spearman measure of strength of association correlations analysis is applied to measure the strength and association between dependent variable, customer satisfaction and four independent variable, product strategy, price strategy, promotion strategy and distribution strategy. To measure the factor influencing customer satisfaction of origin natural mineral water and examine the effect of the independent variable on customer satisfaction binary regression model was used. Hence the goodness of fit of the model is 66% indicated that the independent variables had a significant power to explain the variance in customer satisfaction after confirming the model was valid the regression analysis and hypothesis testing is performed using SPSS software. The result showed that there is appositve and significant relationship between customer satisfaction of origin natural mineral water and product, Price, promotion and distribution strategy. Finally, the study recommended the appropriate and adequate measures of marketing mix strategies to long-term business successes, holding remarkable customer satisfaction.

Key words:- origin natural mineral water, marketing mix strategy and customer satisfaction

## CHAPTER ONE

### INTRODUCTION

#### 1.1. Background of the study

The bottled water industry is a huge business that involves many of the biggest food brands in the world and worth billions. It has grown dramatically in the last decade and today millions of people around the world, in developed and developing countries, consume bottled water regularly. Bottled water competes with soft drinks and tap water in general public perception, bottled water is better than tap water in many terms, e.g. Taste, safety, portability, etc. ( Diuch et al., 2013;saylor et al., 2011). However, some organic compounds had been frequently detected in bottled water, among which, estrogenic phthalates have attracted increasing attention due to their potential adverse effects on public health (Al-saleh et al., 2011; Amiridou and Voutsas, 2011;Juana and lacorte, 2003;Diduch et al., 2013

Bottled water consumption has significantly increased the last three decades, particularly in food and beverage industries with an annual average of 12% in spite of its high cost ,Bottled water is a beverage that is rapidly gaining in popularity and according to the latest World's Water report the average annual consumption is over 100 liters per person in 15 countries from the world ranking, and over 200 liters per person in the countries at the top of this ranking, namely Mexico, Italy, and the UAE.

As one of the fastest growing economies in Africa, and home to the continent's second largest population, Ethiopia represents a compelling investment opportunity, particularly in consumer oriented sectors. The expansion of bottling firms as well as the increased production and marketing of bottled water are clear indicators of high demand for such products. To satisfy this demand, production and marketing of high quality bottled water will surely increase.

Ethiopia has been identified as the water tower of Africa due to the potential of its water wealth; as seen in the country's abundant rivers, lakes and reserves of underground water. If the bottled



water industry grows and production is improved and able to meet international standards, Ethiopian companies will soon be able to penetrate the international market of bottled water.

There is different reason for motivating the researcher to accomplish this research specially the fast growing of industry and relatively unbalance of demand and supply. Which is many people understand there are so many bottled water, but still know there is high gap of product supply in other ways some bottled factory can't consumed with other competitor product because different reason. So i want to point out and address what the reason behind the dissatisfaction of customer towards the company product.

## 1.2 Statement of the Problem

There are many reasons for this fast market growth: economic growth of the country, growing number of conferences and summits in Addis Ababa, the increased tourist traffic, and the expansion of the hospitality sector have contributed to this market growth .Accordingly, The focuses of marketing became crucial as it is the means of obtaining information about customer needs and wants and taking action in order to satisfy the demand of the market. Satisfying consumer needs, mainly relay on the company decisions related to the 4ps of product, price, place (distribution) and promotion.

According to kotler , keller, koshy and jah (marketing management 14 e ) customer satisfaction is affected by marketing mix activities pursued by the company's. The products quality of a firm has direct impact on customer satisfaction kotler (14e).The price of the product has relatively positive relationship with customer satisfaction(kotler and keller,2006).The method and process of distribution affects product availability to consumers martin (2014).promotion even have an impact towards the satisfaction of customers, Matola (2009). As a result company marketing aspects towards 4ps are important to satisfy customers. That is setting competitive price or below competitive levels, providing best product quality, more rapid product supply and effective promotion are key dimensions to change customer satisfaction in a given market Best(2005).

In Addis Ababa there are many of bottling water brands are sold. And even most of them are located surrounding Addis Ababa. This is an indication of there is stiff competition and customer satisfaction became more difficult. Currently customer satisfaction of origin purified natural mineral water declined throughout the country especially in Addis Ababa; even there is high

sustainable market demand in the Ethiopian bottled water market. Besides, there is no empirical evidence to insight to understand the reason for the dissatisfaction of this product. Accordingly, this study attempts to give a clear indication for the determinants of factors affecting customer satisfaction of origin purified natural mineral water in Addis Ababa market taking the marketing mix elements product, price, distribution and promotion as variables Therefore, the researcher identifies the above gaps and inspired the researcher to conduct a study on this topic to fill the researchers' gaps by addressing the following basic research questions

### 1.3 Research Question

- ❖ What are factors that determine customer satisfaction of origin purified natural mineral water, what are the most important factors?
- ❖ Which elements of marketing mix can most satisfy customers of origin purified natural mineral water?
- ❖ Does product, price, distribution and promotion have significantly relate to customer satisfaction?

## 1.4 Objective of the Study

### 1.4.1 General Objective

The general objective of this study is to assess determinants of factors affecting customer satisfaction of bottled water in Ethiopia in the case of origin purified natural water.

### 1.4.2 Specific research objective

- To assess the relationship between product strategy and customer satisfaction of origin purified natural mineral water.
- To explore the linkage between price and customer satisfaction of origin purified natural mineral water.
- Examine the connection between distribution strategy and customer satisfaction of origin purified natural mineral water.

- To identify the association between promotions strategy between customer satisfactions of origin purified natural mineral water.

### **1.5 Significant of the Study**

The study is provide a practical implication for owners of origin purified natural mineral water factory to recognize the relationship between marketing mix and customer satisfaction of origin purified natural mineral water. Specially, in Addis Ababa bottled water market. So that any interested bodies could take the imitative in managing this marketing mix elements to boost the customer satisfaction of the product besides, the staff members in the retile out late recognize how the marketing mix affect the customer satisfaction, to facilitate the effectiveness of the of the marketing goal of the company there is no research towards customer satisfaction in relation with marketing mix. So any interested parts they can use a reference for other researcher who would like to undertake research on similar or related area of the study in the future.

### **1.6 Scope of the Study**

The scope of the study will focus on determinants factors affecting of customer satisfaction of bottled water in Ethiopia in the case of origin purified mineral water factory by taking the marketing mix strategies as a core variables, methodologically, the research focused on origin purified natural mineral water of customer, wholesalers or distributor. It means only those who have strong relation with the factory were considered as a target for this research. Furthermore, geographically this survey is limited Addis Ababa city.

### **1.7 Organization of the Paper**

This paper has five main sections in to chapters. The first section is chapter one which deals with introduction/back ground of the study, statement of the problem, research questions. General and specific objectives, significance of the study, scope of the study and description of the study area. The second chapter is reviews of related literature about theoretical and empirical literature and the third chapter focus on research methodology. Those sections of the paper only deals about the proposal arrangement not for the full thesis organization. Therefore chapter four focuses on

the result of analysis and discusses the finding. The final sections of this paper is chapter five the researcher portrays the conclusion drawn from the findings and gives relevant recommendation on the basis of conclusion.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Theoretical Review

##### 2.1.1 Definition of Bottled water

Water is a colorless and odorless substance found all over Earth. Water is made up of billions of molecules. Each molecule is made of one oxygen and two hydrogen atoms held together by strong covalent bonds (America's land-grant universities October 2015 ).

Water is found in three different forms on Earth - gas, solid, and liquid. The form water takes depends on the temperature. Water on our planet flows as liquid in rivers, streams, and oceans; is solid as ice at the North and South Poles; and is gas (vapor) in the atmosphere. Water is also underground and inside plants and animals. All living things need water in some form to survive on Earth. People can go weeks without food, but can live only a few days without water.

Water is an important resource with many uses including food production, cleaning, transportation, power generation, recreation, and more.

- i. **Spring water** -is collected from its source (explained above), providing the consumer with a health benefit of minerals that are good for the body. Many consumers of spring water claim it has a natural and refreshing taste that is hard to find in other types of water. While spring water can be safe to drink without being treated, its quality cannot be promised, which is why here at Summit Springs, We do our own regularly scheduled testing and have the results verified by third-party laboratories.
- ii. **Tap water** can come from many different sources, but the majority originates from creeks, streams, rivers, lakes, and rainwater. This type of water typically uses sand filtration, flocculation, and chlorine to kill off bacteria and remove any debris that might jeopardize its usability. Additionally, since 1945, fluoride has been added to tap water as a measure in the best interest of public health. However, there is debate that fluoride could cause a number of health related issue.

- iii. **Filtered water** is very popular in today's homes as it helps get rid of that "chlorine" taste many people complain of. Additionally, filters can eliminate the presence of bacteria and other pesticides. Most of the filters found in countertop pitchers use carbon (activated charcoal), which attracts and soaks in particles before passing the water through a screen and into the container. While filtered water removes many of the unwanted elements found in tap water, it will not filter out fluoride.
- iv. **Purified water** is very commonly used in the production of medications, but is a popular drinking choice as well. Using a variety of different processes (deionization, microfiltration, ultra filtration, reverse osmosis, and more), purified water is stripped of chemicals and other contaminants. While this may be extremely beneficial for scientific work and reduces chemicals present in drinking water, it also removes some of the beneficial minerals that are present in spring water.
- v. **Distilled water** is when water is heated until it reaches a boil, turns to steam, and then returns to water. As the water boils, it naturally kills off bacteria and other chemicals, leaving behind minerals and other heavy contaminants. Rather than the contaminants being removed from the water, distillation removes the water from the contaminants. Much like purified water, distilled water will not include minerals that may be beneficial to the human body.

### 2.1.2 Customer Satisfaction

Customer satisfaction is a perception. It is also a question of degree. Providing quality products and services is all about meeting customer requirements. Customer satisfaction, a business term, is a measure of how products and services supplied by a company meet or surpass customer expectation. It is seen as a key performance indicator within business and is part of the four perspectives of a Balanced Scorecard. In a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy. The four key steps for successful marketing are identified as understanding the customer, making value for customer, communicating the value to target market, and making it easy for the customer to buy.

### 2.1.3 Marketing Mix Strategy and Performance

The marketing mix is long term plan on action which is used in to help a firm to gain its competitive advantage over its competitors. The competitive advantage is sustainable when competitors cannot imitate their source of competitiveness or when no other firm conceives a better offering (baron,2010).Effective marketing mix strategies have greatly contribute towards improved business performance in different aspect of a firm such as the growth in sales volume, the level of the return on investment as well as maintenance of the good will. This implies that effective marketing mix strategies strengthen the level of competitiveness and the market share.

Effectiveness of marketing mix strategies affects the level of the application of strategies that influence performance of firms Kurtz &bone (2011).the study argued that challenges which marketers face are in terms of their inability of showing the level of effectiveness of their marketing mix strategies. This makes it difficult on anticipation on the changes which takes place in the marketing situation of a firm and evaluation of the whole of the market. It is clear, that there are no agreed conclusions about the marketing mix strategies and their relationship to the performance of firms.

### 2.1.4 The Marketing Mix Elements (The 4ps )

Marketing is much more than simply selling what the company makes or advertising what the company has. They emphasize that it is rather about deciding what to do and for whom. In practices ,marketing should lead the firm 'strategy towards making what can be sold ,not selling what can be made. The Americans marketing association (AMA)(2008) has provided a clear definition of marketing as an organizational function and a set of processes for creating, communicating, and delivering value to customer and for managing customer relationship in ways that benefit the organization and its stakeholders.

Marketing mix is a controllable part of marketing tools that affect the demand and increases the share increase the share at target market. Thus marketing mix meant that “4ps”( product, price ,place and promotion )should have coordinated in systematic approach in order to have effective influence on persuading the customer. In other words, the right product at affordable prices is accompanied by better distribution and use of appropriate communication techniques and they act together in customers Rad and akbari (2014).

The marketing mix is a model of creating and implementing of marketing strategies. It stresses the blending of various factors in such a way that both organizational and consumer objectives are attained. As per the kotler et al (2006) The elements are the marketing tactics, also known as the 'four Ps', the marketing mix elements are product, price, place 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 plan 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

### **2.1.3.1 Product**

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. Lastly, in the broadest sense when a consumer purchases a product it also includes the post-sales relationship with the company. The post-sales relationship can include customer service and any warranty(singh,2012).

A product is an item that is built or produced to satisfy the needs of a certain group of people. The product can be intangible or tangible as it can be in the form of services or goods. So during the product development phase, the marketer must do an extensive research on the life cycle of the product that they are creating.

A product has a certain life cycle that includes the growth phase, the maturity phase, and the sales decline phase. It is important for marketers to reinvent their products to stimulate more demand once it reaches the sales decline phase.

Marketers must also create the right product mix. It may be wise to expand your current product mix by diversifying and increasing the depth of your product line.



All in all, marketers must ask themselves the question “what can I do to offer a better product to this group of people than my competitors”.

### **2.1.3.2 Price of the Product**

Price of the product is basically the amount that a customer pays for to enjoy it. Price is a very important component of the marketing mix definition. It is also a very important component of a marketing plan as it determines the firm's profit and survival. Adjusting the price of the product has a big impact on the entire marketing strategy as well as greatly affecting the sales and demand of the product (kotler,2020).

This is inherently a touchy area though. If a company is new to the market and has not made a name for them yet, it is unlikely that the target market will be willing to pay a high price. Although they may be willing in the future to hand over large sums of money, it is inevitably harder to get them to do so during the birth of a business. Pricing always help shape the perception of the product in consumers eyes. Always remember that a low price usually means an inferior good in the consumer's eyes as they compare your good to a competitor.

Consequently, prices too high will make the costs outweigh the benefits in customers' eyes, and they will therefore value their money over your product. Be sure to examine competitors pricing and price accordingly.

### **2.1.3.3 Place of the Product**

Placement or distribution is a very important part of the product mix definition. To position and distribute the product in a place that is accessible to potential buyers.

This comes with a deep understanding of the target market. Understand them inside out and will discover the most efficient positioning and distribution channels that directly speak with your market (martin, 2014).

There are many distribution strategies, including, Intensive distribution, Exclusive distribution, Selective distribution and Franchising

### 2.1.3.4 Promotion of the Product

Promotion is a very important component of marketing as it can boost brand recognition and sales. Promotion is comprised of various elements like:

- Personal selling
- Public Relations
- Advertising
- Sales Promotion

Advertising typically covers communication methods that are paid for like television advertisements, radio commercials, print media, and internet advertisements. In contemporary times, there seems to be a shift in focus offline to the online world.

Public relations, on the other hand, are communications that are typically not paid for. This includes press releases, exhibitions, sponsorship deals, seminars, conferences, and events.

Word of mouth is also a type of product promotion. Word of mouth is an informal communication about the benefits of the product by satisfied customers and ordinary individuals. The sales staff plays a very important role in public relations and word of mouth.

It is important to not take this literally. Word of mouth can also circulate on the internet. Harnessed effectively and it has the potential to be one of the most valuable assets you have in boosting your profits online. An extremely good example of this is online social media and managing a firm's online social media presence.

Your combination of promotional strategies and how you go about promotion will depend on your budget, the message you want to communicate, and the target market you have defined already in previous steps.

## 2.2. Empirical Review

According to the finding of phend (2009) convenience and taste affects the use of bottled water. Ang H(2009) had undertaken an exploratory study to fill an identified gap in the literature on the

Influence of the individual marketing mix ingredients and its impact on customer satisfaction of the multinational pharmaceutical companies in Malaysia.

The finding indicted that at firms level product quality. Product distributions promotional activities .and competitive pricing are the key factors in contributing to a yearly customer satisfaction level incremental The price of a product has a direct relationship with customer satisfaction which affect the demand and this in turn affects the revenue generated by the firm (kotler and keller 2006)the product of a firm has a positive impact on business market and increasingly demanding Almansour(2012) likewise,Morgan et al.,(2004); Beamish,et al.,(1993);Dominguez and sequeira,(1997) revealed that product qualities are determinant for satisfactions of customers .

The methods and process distribution affects products or services availability to customers Martin(2014).Promotion also encourages positively the purchase and has an impact of customer satisfaction of the firm (Matola,2009; Baker and Rahnama,2013).best (2005) indicated that customer satisfaction is directly dependent on promotion ,product quality, price and service quality. Buzzell and Wiersema(1981) have found the product quality changes market share. They also pointed out prices below competitive levels ; product quality; speed distribution than competitors and promotion can increase the level of customer satisfaction .

Overall, the reasons for companies vary in terms of the satisfaction of customer is due to product quality, price, distribution ,promotional activities which are mentioned as a factors that affects the customer satisfaction .therefore, these factors are part and parcel of the marketing mix elements called 4ps: price, product ,distribution and promotion.

**Table 1- Summary Of The Empirical Review**

	Product	Price	Place	Promotion
Does customer satisfaction affected by marketing mix of	Yes	Yes	Yes	Yes
Does customer satisfaction have positive impact on 4ps of	Yes	Yes	Yes	Yes

**Source: Researcher own Development**

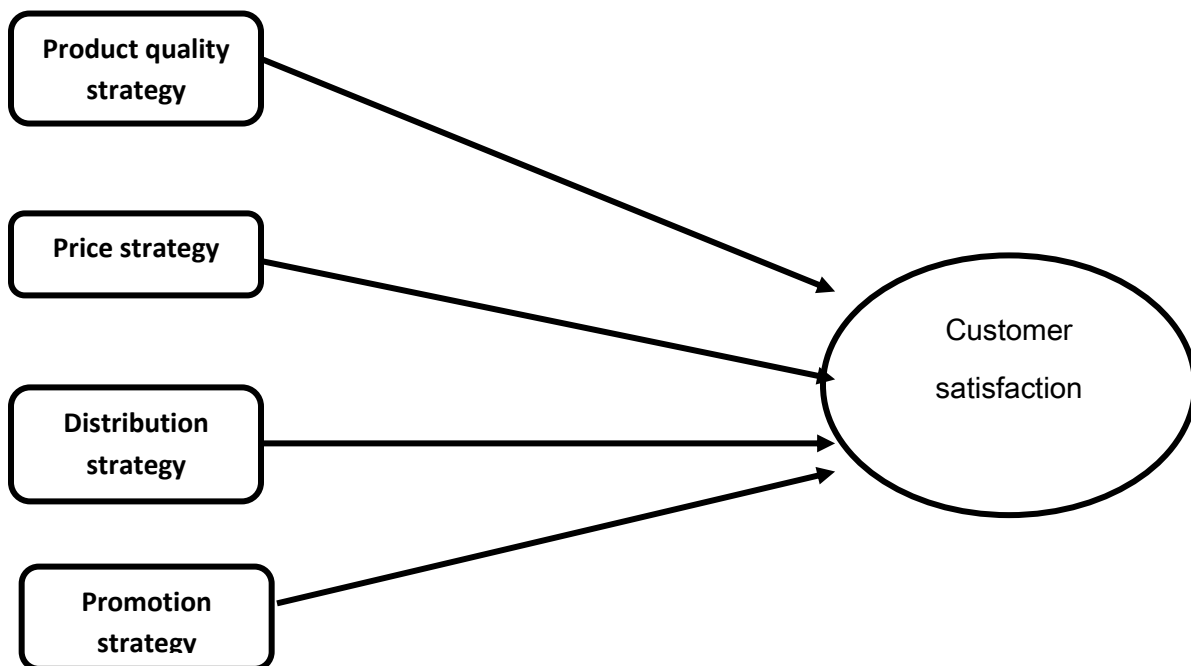
## 2.3 Conceptual Framework

In the detailed part of the literature review, core point with regard to relationship between price, product, distribution, and promotion with customer satisfaction frame work were discussed.

Hence, the study will examine how marketing mix (4ps) affects the customer of origin purified natural mineral water in Addis Ababa city. Litreacher the marketing mix has an influence over customer satisfaction level of the company as indicated in the reviewed literature, conceptualization attempts to visualized the causality of the research problem prior to understand this research in detail

In this research it will plan to investigate the relationship between marketing mix (4ps) and customer satisfaction.

*Figure 1- Conceptual Framework of the Study*



Source: Researcher own Development

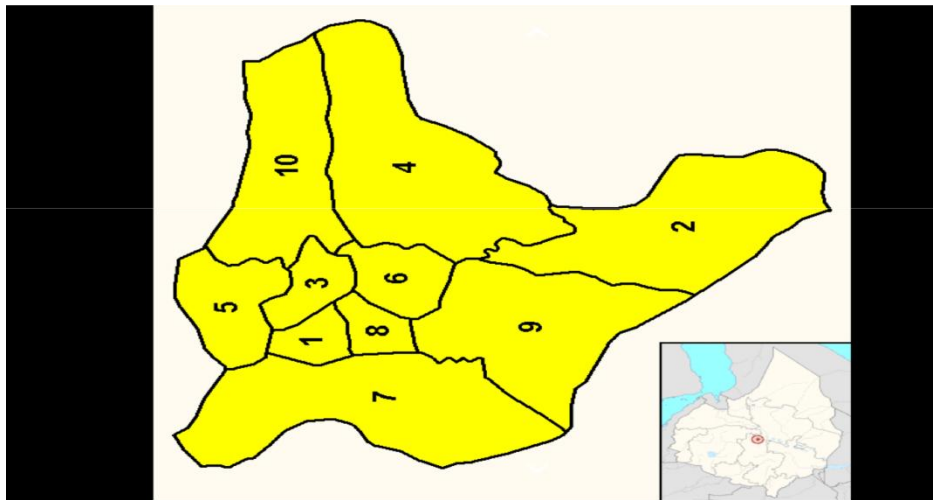
## CHAPTER THREE

### RESEARCH METHODOLOGY

#### 31. Research Area

The Research area is mainly focus on five subcity of addis ababa, which is Bole, Nifas silk, Akaki kaliti, Addis ketema And Arada subcity. This research area focus because of high customer and consumer among this sub city. Additionally, they are more populated as well as high and better income level to afford bottled water .

Addis Ababa sub city map



*Source: Addis Ababa city administration office*

#### 3.2. Research Design

According to Kothari (2000) research design constitutes the blue print for the collection measurement and analysis of data. Having the marketing mix (4ps) strategies with customer satisfaction frame work as a base for this study the research framework is intended to test the research hypothesis and shows the effect of the four variables on the

customer satisfaction of origin water. Taking this into account the relevant research design for this study is causal research as it shows cause and effect relationships.

To achieve the aforementioned objective, the study is applied both quantitative and qualitative approach in analyzing the data surveyed through administered questionnaires. Creswell (2005) indicated that quantitative analysis is the one in which the researcher primarily uses for developing the causes and effect relationship between known variables of interest that yield statistical data. Besides, to supplement the quantitative data the researcher employed a qualitative research which was gathered via structured interview. Accordingly mixed approach enables the researcher to use all the tools available to him/her and collect more comprehensive data. This provides the results that have a broader perspective of the overall issue or research problem.

### 3.2. Population and Sampling Techniques

The target population of the research was all customers in Addis Ababa who consume origin purified Natural Mineral Water.

Since the total population of this research is infinite it is difficult to estimate the exact number of the whole population is given as under:

$$N = \frac{z^2 \cdot p \cdot q}{e^2}$$

Sources: (kothari,2004)

Where is sample size

- ✓ Z= the value of standard value at a given confidence level
- ✓ P = sample proportion
- ✓ Q = 1-p
- ✓ E = acceptable error
- ✓ So in this case we set PE equal to 0.05, z= 1.96 and p = 0.5, and we get

$$N = \frac{(1.96)^2 (0.5) (0.5)}{0.05^2}$$

$$(0.05)^2$$

$$N = \frac{0.9604}{0.0025}$$

$$0.0025$$

**N = 384**

As a result based on the formula this study needs a sample of 384 regular consumers of origin bottled water at 95% confidence interval. Consequently, the researcher distributed 384 sampled regular users of origin purified natural mineral water.

To achieve the study purpose, non- probability (convenience) sampling procedure was applied in selecting a sample. 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 to gather the data quickly. Though there are ten sub cities in Addis Ababa five sub cities namely: Nifas silk lafto ,Addis ketema , Akaki kaliti Bole and Arada were selected based on their consumption pattern in the water market. In order to have a representative sample the researcher disseminated the questionnaire with different backgrounds and used proportionate allocation of sampling procedure.

$$N_h = \frac{N h}{N} * n.$$

Where ‘nh’ is sample size of the stratum h, ‘Nh’ is the population size of the stratum h, ‘N’ is the total population and ‘n’ is the Total sample size.

**Table 1: Sample Distribution**

No.	Sub City	Area (Km <sup>2</sup> )	Population	% From The Total Population	Samples Consumers
1	Nifas silk subcity	85.46	335,740.00	0.24	92
2	Bole sub city	122.08	328,900.00	0.24	92
3	Akaki kaliti	118.08	195,273.00	0.15	58
4	Addis Ketema	7.41	271,644.00	0.20	77
5	Arada sub city	9.91	225,999.00	0.17	65
<b>Total</b>			<b>1,357,556.00</b>	<b>100</b>	<b>384</b>

Source: Taken From Addis Ababa Population 2007E.C and Own Computation

### 3.3. Source of Data & Method

Both primary and secondary sources interview and administered questionnaire. The secondary sources would be gathered from publications including books, researches, journals, and various materials that were relevant to the study. The quantitative data will be collected through structured interview which would be conducted with the origin mineral water distributors or whole sellers.

### 3.4. Procedure of Data Collection

A pilot survey is actually the imitation and trail of the main survey. The very purpose of doing a pilot study is to find out any flaw if it exists in the measuring instrument. Questionnaire is the measuring instrument employed in our current study. The responsiveness and applicability of the same has to be ensured through this pilot study by checking the validity and reliability of the questionnaire.

### 3.5. Method of Data Analysis

The study employed both quantitative and qualitative analysis. As the data were obtained from structured interview is qualitative in nature and discuss thoroughly. Inferential analysis with the aid of the statistical package for social sciences (SPSS) had undertaken, as a part of inferential analysis the study undertaken mean, standard deviation, spearman correlation and binary regression analysis as well as triangulation method to identify the influence of the predictor variables. Price strategy, product strategy, distribution strategy and promotion strategy are the outcome variable of customer satisfaction. The choice of regression analysis is ideal because koop (2006) argued that it is the most important tool for applied economists use to understand the relationship among two or more variables particularly in the case where are many variables and the interaction between them are complex.



### 3.6. Validity and Reliability Test

#### 3.6.1. Validity

Content validity of a measuring instruments is the extent to which it provides adequate coverage of the investigative questions guiding the study (Mugenda & Mugenda, 2003). In this study content validity was applied by consulting the advisor and bottled water marketing experts of water bottling company. In order to improve the instruments, these experts and the research advisor looked at every question in the questionnaire and do their own analysis to ascertain that the questions answer research objectives.

#### 3.6.2. Reliability

Reliability is a measure of the degree to which a research instrument yields consistent results or data after repeated trials. For this study internal consistence reliability determined by cronbach's alpha would be used. It is useful in assessing the consistence of the results across items within a test which represents a number between 0 and 1. According to Zikmund et at. (2010) scales with coefficient alpha between 0.36 to 0.7 indicate fair reliability and / or higher are considered adequate to determine reliability.

### 3.7. Model Specifications

Binary regression is a statistical method for analyzing a data set in which there are one or more independent variables that determine an outcome. The outcome is measured with a dichotomous variable ( in which there are only two possible outcomes.) The goal of binary regression is to find the best fitting model to describe the relationship between the dichotomous dependent variable and set of independents variables.

$$\text{Logit}(p) = b_0 + b_1x_1 + b_2x_2 + b_3x_3 + \dots + b_kx_k$$

Where P is the probability of presence of the characteristic of interest, the logit transformation is defined (Hosmer et al , 2013 ) as the logged odds (odd ratio):

$$\text{Odds} = \frac{P}{1-P} = \frac{\text{Probability of presence of characteristic}}{\text{probability of absence of characteristic}}$$

$$\text{Logis (P)} = \ln \left( \frac{P}{1-P} \right)$$

### 3.8 Ethical Issues

Participation of respondents was strictly on voluntary basis. Participants would fully informed as to the purpose of the study and consent verbally. Measures would be taken to ensure the respect dignity and freedom of each individual participating in the study. In addition, participants would notifying that the information they provide be kept confidential and not to be disclosed to anyone else. Interview would commented by the advisor so as to refine the questions. After this, the researcher distributed the questionnaire to the selected Addis Ababa sub cities. To supplement the gap that might not be captured by the data that is obtained from questionnaire structured interview with distributor or wholesalers of origin bottled water were conducted. Finally the data which was collected using the questionnaires were code and process using the statistical package for social science (SPSS) application.

## CHAPTER 4

### DATA ANALYSIS AND DISCUSSIONS

This chapter focus on the result of analysis and the finding are presented in two categories as descriptive and inferential statistic of the survey data. Descriptive statistics such as frequency distributive and percentage were employed to assess the demographic characteristics and inferential statistics were employed using correlation matrix and binary regression to examine the factors affecting customer satisfaction of origin mineral water.

#### 4.1 Response Rate

A total of 384 questionnaires were distributed with the help of four enumerators and the response rate was indicated in the table below.

Table 2- response rate

Response rate	No	Present
Simple size	384	100%
Collected	351	91.4%
Un collected	33	8.6%

Source : own survey

From the above table out of 384 distributed questionnaires 351(91.4%) were collected while 26(6.77%) from akaki kality and some part of addis ketema sub city of the questionnaires remained un collected and seven (7) (1.83%) questionnaires were made not filled properly and completely therefore analyses were made based on the response obtained from 351 questionnaires (91.41).

Hence, this study is aimed to examine the determinate factors affecting customer satisfaction of origin mineral water taking the 4ps marketing mix strategies as a core variable.

## 4.2 Reliability Analysis

Before analyzing the collected data the reliability of the main item of the questionnaires was tested by using cronboach's alpha. The coefficient of reliability of measures ranges from 0 to 1 and a general rule; a coefficient greater than or equal to 0.7 as considered an acceptable and a good indication of reliability construct.

Table 3 reliability analysis

Customer satisfaction factors	Cronboach's alpha	No. Items
Price strategy	0.847	8
Product strategy	0.905	10
Promotion strategy	0.923	8
Distribution strategy	0.888	9
Overall reliability	0.946	35

**Source: own survey result, 2019**

Thus, the reliability coefficient for all items 94.6% and this implied that the items were reliable and understandable to the respondents.

## 4.3 Demographic Characteristics Of The Respondent

This research was enclosed the main demographic characteristics such as gender, age, education and income group. Gender was considered to find out they were male or female consumers have been highly involved in bottled water market. Age groups of respondents were considered to fine

out the age groups that were dominant in bottled water market especially for origin mineral water in Addis Ababa. Educational level of professions that were mostly engaged.

Finally income status was considered to see the segment of the population whose income falls within certain range and the findings were indicated below.

Table 4 demographic information

Characteristics		Frequency	Percentage
Gender	Male	196	56%
	Female	155	44%
Total		351	
Age	18-25	107	30%
	26-30	139	40%
	31-40	79	23%
	41-45	11	3%
	46-50	12	3%
	>50	3	1%
	Total		351
Education background	12 grade complete	20	6%
	Diploma	60	17%
	Degree	231	66%
	Masters	30	9%
	PHD	10	3%
Total		351	100%
Income group	<1,000.00	30	9%
	1,0001-3000.00	40	11%
	3001.00-4,500.00	30	9%
	4,500.00-5,000.00	133	38%

	>5,000.00	118	34%
Total		351	100%

Source: own survey data,2019

From the data presented in table above the majorities (56%) of the respondents were male and the remaining 44 %of respondents were female. This indicated that out of 351 respondent around 196 were male and the remaining 155 were female therefore with insignificant variation both male and female customers consume origin mineral water.

From the data presented in table 4 above the majorities (40%) of the respondents were under age group of 26-30 years old; 30% of the respondent were under the age group of 18-25 years and the remaining 23%,3%,3% and 1% were 31-40 years old,41-45 years old,46-50 years old and greater than 50 years old respectively. This implied that the majority 70%(18-30)years of the respondent were youngster.

Regarding education level of the respondent the above figure portray that the majority (66%)of the respondent were BA holders,17% of the respondent were diploma and the remaining 9%,6% and 3% of the respondent were masters,12 complete and PHD holder respectively. Therefore, the education backgrounds of most respondent were BA/BSC and diploma holder.

The study covered the upper and lower level income level. The less than 1,000 birr income group, income group 1,000-3,000 birr and income group 3,000-4,500, income group 4,501-5000 birr and income group greater than 5,000 birr respondents were representing 9% , 11% , 9% , 38 % ,34% respectively. This indicated that the analysis comprising different income section of the population.

#### 4.4 Descriptive Statistics

Descriptive statistics recommended for likert scale items included the mean for central tendency and standard deviation for variability. Based on this, the factor influencing customer satisfaction of origin mineral water analyzed descriptively using mean and standard ration (SD) as follows.

**Table-5 pricing related item**

<b>Item</b>	<b>Mean</b>	<b>SD</b>
The price of origin water product is fair .	2.19	1.092
The price of origin water product is lower than other bottled water	2.67	1.202
I compare the price when I purchased bottled water.	2.83	1.204
The pricing system increases the usage of origin water product	2.63	1.014
The pricing system of origin water product is psychologically imposing.	2.81	1.138
Not switch to other bottled water products whatever the price of origin water raise .	2.29	.951
The price strategy of origin water support its brand.	3.27	1.337
The pricing system of origin water is in line with long term business goals	2.98	1.341
Average	2.7	

Source:questionnaire,2019

As revealed in table-5, the mean value of the respondents concerning price strategy dimensions, except the fairness of the price (mean=2.19,sd=1.092) for almost for all remaining dimensions scored less than a mean value of 3 (neutral score). Meaning respondents were disagreed to lower product price, existence of psychological price imposing techniques and supporting of its brand. Also the respondents were price sensitive because they are comparing the price of the product before (mean=2.67,sd=1.202), standing to switch for any increment of the price

(mean=2.83,sd=1.204) and the usage behavior against price system (mean=2.63,sd=1.014).likewise the respondents replied that the pricing strategy dimensions indicated in this study do not support its brands and long term business goals with mean score of 2.71and 1.16 respectively.

This is similar to the overall customer satisfaction feedbacks of origin water customer claim that the price imposed on the product is not fair comparing to the prevailing market price. In line with this, they strictly mentioned that customers are always relating the price with the value the product delivered. Hence, customers and representative of the channel outlets have to understand the value of the product because there is a strong likelihood that they will push back on prices. In addition to this, they suggested that origin water factory better to adopt very costly but different ‘offering menu ‘across different segments .because, the company serve different customers who have varying value requirements.

Generally, from the research findings above, the mean result in the respondent’s reflection on pricing dimensions showed that the current price of origin water not fair but respondents have price elastic behavior that means any change in price dimensions particular this case their influence their buying decision and attitudes.

**Table 6 product related item**

Item	Mean	SD
The taste of origin water is fine .	2.96	1.413
The appearance of origin water is attractive	3.44	1.222
The color of origin water is well.	3.43	1.154



The packaging of origin water is good .	3.42	1.291
The labeling of origin water is attractive.	3.31	1.319
The origin water product is suited with my lifestyle.	3.06	1.345
The quality of origin water is better than other bottled water.	2.64	1.341
There is a consistence in the quality of origin bottled water .	3.29	1.405
The origin water factory respond to changes in customer perceptions and demand.	2.90	1.454
The origin water product is satisfied my need	2.93	1.383
Average	3.14	1.33

Source:questionnaire,2019

As one of the four elements in the marketing mix framework, respondents were asked questions in related with product strategy dimension issues. As can be inferred from the table-5 there is a fairly high agreement for items of appearance, color, packaging, labeling and suitability of lifestyle of mineral water with mean value ranging from 3.44(82.6%) to 3.42(77.2%). However, the respondents also disclosed that the quality and test of the mineral water is found to be the major factors that limit them to consume. For instance, considerable portion of the respondents rated the consistency of quality of mineral is poor (mean=3.29, SD=1.405). In addition, when they asked about the quality of mineral water as compared to other bottling water, significant number of respondents replied against mineral water with mean score of 2.64 and standard deviation of 1.341.

With regard to this, the overall customer satisfaction feedbacks of customers of origin mineral water mainly affected by the quality of the product because customers perceived that bottled water is seen as safer, healthier and has better taste. Despite of this, mineral water had faced with complains on the test and quality of the product due to this the customers were reluctant to buy the product. According to them marketers at the company need build specific marketing strategy to remove the influences and attract more customers to drink mineral water without doubt.

To sum up, all these show that the issue has to be seriously investigated and appropriate measure have to be taken to improve the quality and test of the product. Unless the problem is properly addressed, offering the product in the market would be very difficult and hence it directly affects the customers satisfaction of the product.

**Table-7 promotion related items**

Item	Mean	SD
Promotional strategy is motivating a new use of the product	3.09	1.171
Promotional strategy is encouraging more frequent use of the product	2.93	1.148
Promotional strategy is improving my purchase decision.	3.01	1.136
Use of traditional media like radio ,television ,newspapers, magazines and notifications will keep me to informed about origin water product .	3.11	1.232
Use of social media like face book ,twitter , keep me to informed about origin water product .	2.84	1.180
	2.88	1.267

Promotional messages are clear and understandable.		
	2.77	1.158
Promotional activities are frequently updated .		
	3.03	1.289
Promotional activities of origin water are ethical		
	2.96	
Average		

Source:questionnaire,2019

Obviously, promotion is one of the backbones of any business it generates the required awareness about the products or services among customers, a good promotional strategy should correlate well with the long- term marketing plans and goals of the business. Kotler (2006) confirmed that promotions have become a critical factor in the product marketing mix because it is marketing campaign to recognize the importance, message, knowledge and best tool to attract potential and prospective customers and in general to pursue its marketing objective.

According to the above table-7, the result revealed that majority of the respondents disagrees for all promotion items with mean score ranging from 3.11 to 3.03. As a result, the promotional strategy of origins mineral water factory powerless to motivate, encourage, and improve the purchasing decision of the customers as well as it failed to create the required awareness in the minds of customers. Besides, the promotional channel both the traditional and social media were unable to create the required awareness among the customers. The finding of the questionairer indicated that regarding to promotional activities like flyer, sticker and free gifts are the main promotional aspect of origin mineral water however the concerned managements are reluctant in aspect of creating awareness and providing appropriate information via various channels. Moreover, they insisted that the marketing team management to consolidate their efforts to undertake the necessary promotions so as to create understanding and connecting the clients with the product.

**Table-8 distribution related items**

<b>Item</b>	<b>Mean</b>	<b>SD</b>
Origin water is convenient to consume.	2.73	1.308
Origin water is good available in Addis Ababa	2.99	1.294
Willing to go to extra mile to purchase origin water.	3.06	1.047
Obtained all sizes origin water when i need.	2.73	1.209
Strong trust on the retailers /distributors/ wholesalers of origin water.	2.95	1.213
Satisfied with the service quality level provided by retailers/distributors/ wholesalers.	2.97	1.200
Bought the origin water with less waiting time	3.03	1.271
Low level of conflict with origin water retailers /distributors/ wholesalers partner	3.03	1.216
Feel committed towards origin water distribution partner.	3.18	1.220
<b>Average</b>	<b>2.96</b>	

**Source:questionnaire,2019**

As depicted in the table-8, for three statements; 'i bought the origin water with less waiting time, ' I have a low level of conflict with water retailers or distributors or wholesalers partner and willing to go to extra mile to purchase origin water and feel committed towards origin water distribution partner. Had registered the highest score (mean3.18,sd=1.220). On the other hand, the statements obtained all sizes origin water when I need origin water had got the least mean score values of 2.73 and standard deviations of 1.209. Similar feedbacks were obtained from the distributors regarding the availability and distribution aspect of the origin water is fine.

Grossly, from the result table -8 can deduced that the mean values 2.96 with the respect to all distribution strategy dimension showed an agreed result. This indicated that the distribution strategy dimensions have contributed the current customer satisfaction of origin mineral water.

## 4.5 Correlation And Regression Analysis

### 4.5.1. Correlation Analysis

Correlation is the measure of strength of association between two variables. In social sciences, based on Cohen's criterion, correlation values of more than 0.3 are considered as sizable level of association. The spearman correlation coefficient, can take a range of values from +1 to -1. A value of 0 indicates that there is no association between the two variables. A value greater than 0 indicates a positive association; that is, as the value of one variable increases, so does the value of the other variable. Hence, in this research spearman correlation was computed to check whether the customer satisfaction of mineral water has any association with the 4ps marketing mix strategies or not

**Table-9: correlations between independent variables and customer satisfactions**

Variables	Correlation Coefficient	Sig (2-tailed )	N	Types of correlation
Price strategy	0.391	0.000	351	Spearman correlation
Product strategy	0.623	0.000	351	Spearman correlation

Promotion strategy	0.735	0.000	351	Spearman correlation
Distribution strategy	0.777	0.000	351	Spearman correlation

Source: own survey result ,2019

As depicted in the table above a correlation between dependent variable with independent variables. According to the result customer satisfaction is positively correlated with price strategy at a coefficient value of 0.391 and the liner relationship between them is statistically significant at the acceptable level of significant  $p < 0.05$ . Customer satisfaction is positively correlated is statistically significant at  $p < 0.05$ .

Concomitantly, customers satisfaction is positively correlated with promotional strategy with the coefficient values 0.735 and the linear relationship between them is statistically significant at the acceptable significant value of  $p < 0.05$ . Likewise, customer satisfaction positively correlated with distribution strategy variable with coefficient value of 0.777 and the linear relationship is statistically significant at the acceptable 5% level of significance. In general. The finding indicated that an increases or decreases in 4ps marketing mix strategies are significantly leads to increases or decreases the customer satisfaction of origin mineral water.

#### 4.5.2 Important Assumptions Of Binary Regression Model

Before directly dealing with the regression model the researcher check some important assumptions in relating to the binary regression model if the assumptions are violated and hence interpreting results from running binomial regression become spurious. First, let's take a look at of these assumptions:

First, in binary regression, the dependent variable should be measured in dichotomous scale. In this study, the outcome variable(customer satisfaction) is measured with a dichotomous variable in which there are only two possible outcomes, 1 satisfied and 0 otherwise. Can be either continuous or categorical. The third assumption is an independence of observations.

The last assumption is to check the problem, of multicollinearity. The presence of multicollinearity in the model is detected by using variance inflation factor (VIF). As noted by

gujarati (2004), the rule of thumb suggested that if variance inflation factor exactly exceeds 10 then there is a problem of multicollinearity. As shown in the appendix the output of VIF showed that a value of less than 10 for all the independent variable. Thus, knowing that there is no serious multicollinearity problem among the variables. They can be considered in the model estimation. Accordingly, the model passes the entire assumptions of binary regression obtaining and interpreting the results are valid and correct.

### 4.5.3 binary regression results

In this study the binary regression model is used to predict customer satisfaction of origin mineral water (using dichotomy scale of 1- satisfied and 0-dissatisfied) of with a set of 4ps marketing mix strategic variables. Some of the output of the regression includes the constant term, variables, coefficients, standard error; model fit ( $NR^2$ ) and p- value. The independent variables with their respective coefficients are mentioned in the regression table-10.

**Table-10 Regression Result Of Customer Satisfaction Factors**

**Dependent Variable: Customer Satisfaction**

**Method: Binary Regression**

**Sample Respondents:351**

Variable	Exp	Sig.value
Price strategy	13.207	0.000
Product strategy	11.058	0.000
Promotion strategy	8.079	0.000
Distribution strategy	5.487	0.000
Constant	0.006	0.000
Nagelkerke r square : 0.660		

**Sources: IBM:SPSS statics version 25 output**

As indicated in the table-10, all explanatory variables are positive and statistically significant at 5% critical point. The pseudo Nagelkerke r square ( $NR^2$ ) is a measure of how well the regression equation fits the data. According to the above, the  $NR^2$  is 0.66% and hence it can be predicted

that 66% of the variance in dependent variable has been significantly explained by the four independent variables. This gives the regression a good fit while the remaining 34% of the total variation of customer satisfaction of origin mineral water is accounted by the factors included in the error term. Besides, the  $p = 0.000 < 0.05$  and so the model is significant and model exists.

In light of the summarized model results above the promising explanations for each significant independent variable are given consecutively as follows.

**Price strategy:** the study sought to establish the linkage of marketing mix strategies and customer satisfaction of origin mineral water and the finding indicated that price strategy dimensions increased customer satisfaction of origin mineral water. That is customer satisfaction is positively and significantly affected by price strategy dimensions at 5% critical value. A one percentage raises in price strategy dimensions like setting affordable product price, fair prices and lowering the product prices than other competing firms leads to 13.207 percentage increases in customer satisfaction.

**Product strategy:** as it was expected that the coefficient of the product strategy is positive and statistically significant at  $p < 0.05$  level. The coefficient of the product strategy items suggested that one percent increase in product strategy aspects such as improving the test and quality of the product, responding to customer demand, designing an appropriate labeling, packaging and appearance of the product; enhance the customer satisfaction of origin mineral water by 11.058 percent.

**Promotion strategy:** the regression result displayed that promotional strategy is statistically significant and positive relationship with customer satisfaction at 5% level of critical value. Also the finding showed that the value of the odds ratio; other thing at constant one can deduced that the promotional strategy dimensioned of origin mineral water improved (i.e. Using an appropriate media and updating the messages frequently enable to attract, motivate. Aware and create a sound linkage with clients ) by one percent then the market share of origin mineral water enlarged by 8.08 because customer will internalized the messages and positively influence their buying decisions.

**Distribution strategy:** the result captured on table-10 confirmed that the explanatory variable: distribution strategy has a significant and positive relationship with customer satisfaction at 5%



critical value when distribution strategy dimensions such as forming convenient outlet, assigning truthful and committed distributors and availing the product and desirable quantity to the market are improved by one percent than customer satisfaction of origin mineral water market will expand by 5.487.

## 4.6 Hypotheses Testing

After the analysis of the data hypotheses were tested to make sure the assertion in the light of the data analyzed. Thus, the hypotheses were tested at 5% confidence level (0.05) and p values are denoted by sig in the table below.

Table -11 hypotheses testing

Variables	Hypothesis	P-value	A-5%	Ho	H1
Price strategy	Ho,h1	.000	0.05	Reject	Accept
Product strategy	Ho,h2	.000	0.05	Reject	Accept
Promotion strategy	Ho,h3	.000	0.05	Reject	Accept
Distribution strategy	Ho,h4	.000	0.05	Reject	Accept

### Sources research hypothesis

According to the above table, p-values of price strategy, product strategy, promotion strategy and distribution strategy are lower than the value 0.05, hence the null hypotheses were rejected and alternative hypotheses were accepted. Therefore, the null hypotheses were rejected and alternative hypotheses were accepted because the 4ps marketing mix strategies considered as an explanatory variables were positive and statistically significant with market share which is in line with the research hypothesis.

## CHAPTER FIVE

### KEY FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

This chapter consist of three sections which is included summary of the findings, conclusion and recommendations.

#### 5.1 Key Finding

The research on the title of: factors affecting customer satisfaction of origin mineral water taking Addis Ababa bottled water market as area of the study. As a result of the analysis and interpretation, the following are the summary of the findings.

- ❖ Largely the mean values 2.7 of the respondents that the product price is poor and have price elastic behavior.
- ❖ By and large, the respondents showed overall mean score of 3.14 on product strategy dimensions. In line with this, the respondents also disclosed that the quality of product are found to be the major factors the choice of the origin mineral water.
- ❖ The overall mean value for promotional items indicated that (mean=2.96 and SD=1.33) which confirm that significant number of respondents disagree with the promotional strategy dimensions.
- ❖ The sample respondents representing mean of 2.96 disagreed with distribution is at strategy.
- ❖ The result of the interview suggested that origin mineral water distribution is at sufficient level however they were unsatisfied on the promotional, pricing and product strategy of origin mineral water.
- ❖ The finding revealed that customer satisfaction of origin mineral water is responsive to product strategy, price strategy, promotion strategy and distribution strategy with all positive sign and significance at 5% critical point. The expected sign with their respective significance which mentioned in the hypothesis test also coincides to the finding of the results.

## 5.2 Conclusion

Marketing strategy is one of the functional strategies of the companies, which collectively make up an overall business strategy. The importance of marketing strategy in overall business strategy is very high because it controls the key marketing relationship with companies outside the support function. Customer satisfaction becomes a crucial indicator for business performance, and for companies bigger satisfied customer implies more control power over the market. It is influenced by all four marketing mix strategies price, product, promotion and distribution in dynamic business environment specifically bottled water market a constant analysis, evaluation and examination of marketing mix elements are relevant. Because once it systematically developed showing exactly what goods are wanted by the people, what price they are willing to pay, what distribution channels are most optimal and what price they are willing to pay, what distribution channels are the most optimal and what promotion measures can give them better results. This research focused on the determinant of factor affecting customer satisfaction of bottled water in Ethiopia in the case of origin mineral water in Addis Ababa bottled water market. Statistical analysis of data collected from the surveys using binary regression and the flinging disclosed that marketing mix strategies were positive significant and joint predictors of customer satisfaction of origin mineral water 5% level of significance. That means price strategy is positive and significantly related with customer satisfaction which is similar to the expectation of the research hypothesis likewise, product strategy has positive and significant linkage with customer satisfaction which is similar to the research hypothesis, moreover, promotion and distribution variables have a positive and significant association with customer satisfaction which is also similar with research hypothesis. The study also showed that promotional aspects, pricing behavior of the consumers, quality and test of the product were the major factors that shirking the customer satisfaction of origin mineral water while distribution activities contributes for customer satisfaction of origin mineral water. Therefore, it can conclude that the finding implied the importance of the 4ps marketing mix strategies in expanding or shrinking the customer satisfaction of the companies no matter how companies is small or big in general and mineral water in particular.

### 5.3 Recommendation

Some major recommendation for policy can be drawn from the analysis above these include:

- ❖ Pricing is one of the important decisions that need to be made by a firm which would affect its revenue and profitability. With respect to pricing decision, the customers do not solely want cheaper prices but also at least as the value of the product or service equal to their expectations. Hence, the management of origin mineral water factory should not only consider the price but also reconsider the customer's perception on value of the product because meeting of this condition would benefit the origin mineral water factory to increase the demand of the product and to hold a remarkable satisfied customer both in the short and long run.
- ❖ An important factor to expand the satisfied customer of origin mineral through product strategy is determined the efforts made by management's to making frantic efforts to check there should not be any risky ingredients in the product before market test and distribute to the end users. Because it affects the test and preference of consumers as well as the society negatively. Therefore, the concerned management should gear its efforts to improve the quality and test of origin mineral water based on the customer needs then customers can get the privilege of choosing from the many options and hence the satisfaction of customer of the product upright.
- ❖ The findings revealed that promotional strategy is a tool to influence the performance the organization and quest to achieve marketing objectives. Therefore, the study suggest that origin mineral water factory in its promotional strategy plan should identify which of the promotional tools like below and above the line the customers responds to favorably and to further strengthen the outcome of the adopted promotional tools on customer satisfaction .
- ❖ The finding of the study revealed that distribution strategy is positive and significant with satisfied customer because it affects the way of transporting the product to the customer and the vehicle for the other elements of marketing mix (product, price, and promotion) . The top managements have to pay close attention to maintain the required availability of the product for all bottles sizes of origin mineral water so that the desired satisfaction of customer than other competitive bottled water in the industry toughly

established. In short, the top management of origin mineral water factory must look at a wider range of issues than those highlighted here. Nevertheless, the importance of this benchmark analyses should not be minimized. It provides useful way to focus on policy work by indicating marketing mix variables and their effect on the customer satisfaction . Moreover, it is useful for the domestic survey who may be interested to undertake the research on the relationship between customer satisfaction and marketing mix strategies.

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**ANNEX****Annex 1****QUESTIONNAIRE****ST.MARYS UNIVERSTY****SCHOOL OF GRADUATES STUDENTS****Department Marketing Management****Research Questionnaire****Dear respondents:**

I am currently attending a masters degree in marketing management at St Mary university. I am conducting a thesis on the determinant of factors affecting customer satisfaction of bottled water in Ethiopia in the case of origin natural mineral water in Addis Ababa .This questionnaire is designed to collect data on factor affecting customer satisfaction of origin natural mineral water in Addis Ababa .This questionnaire is designed to collect data on determinant of factors affecting customer satisfaction of bottled water in Ethiopia in the case of origin mineral water kindly ask you to give me few minutes of your time to answer the question as honest as possible , in order to contribute to the success of this research.

If you would like further information about this study, or have problem in completing this questionnaire please contact me via+251-9-11 68 83 19

**Thank you for your cooperation!**

**Instruction: please mark your answer with a tick mark ( ) in the space provided.**

**PART1:General information of Respondents**

- 1 Gender  Male  Female
- 2 Age  18 to 25  26 to 30  31 to 40  
 41 to 45  46-50  >50

3 your education background

<12 grade       Diploma  
 Bachelors Degree       Masters Degree       PHD

4 Income group

< 1,000 Birr       1,001-3,000 Birr       3,001-4,500 Birr  
 4,501-5000 Birr       >5,000 Birr

5 How often do you consume origin water?

Less than once a week       1-3 times a week  
 4-6 times a week       almost everyday  
 So far I used but currently stopped

6 which factor mainly influences to consume origin water?

Product quality       product price  
 Product promotion       product Availability

**PART 2: To what extent you agree or disagree with the following statements.**

1 strongly disagree, 2=Disagree ,3= neutral(N), 4=Agree 5=strongly agree

**Please use tick ( ) mark in the table under the options given the brand you selected to reflect your rating**

<b>Price strategy</b>	1	2	3	4	5
I realize that the price of origin water product is fair .					
I realize that the price of origin water product is lower than other bottled water					
I compare the price when I purchased bottled water.					
I realize that the pricing system increases the usage of origin water product					
I realize that the pricing system of origin water product is psychologically imposing.					

I would not switch to other bottled water products whatever the price of origin water raise .					
I realize that the price strategy of origin water support its brand.					
I realize that the pricing system of origin water is in line with long term business goals					
<b>Product strategy</b>					
I feel that the flavor of origin water is fine .					
I feel that the appearance of origin water is attractive					
I feel that the color of origin water is well.					
I feel that the packaging of origin water is good .					
I feel that the labeling of origin water is attractive.					
I feel that the origin water product is suited with my lifestyle.					
I feel that the quality of origin water is better than other bottled water.					
I feel that there is a consistence in the quality of origin bottled water .					
I feel that origin water factory respond to changes in customer perceptions and demand.					
I fell that origin water product is satisfied my need					
<b>Promotion strategy</b>					
I believe that the promotional strategy is motivating a new use of the product					
I believe that the promotional strategy is encouraging more frequent use of the product					
I believe that the promotional strategy is improving my purchase decision.					
I believe that use of traditional media like radio ,television ,newspapers, magazines and notifications will keep me to informed about origin water product .					
I believe that use of social media like face book ,twitter , keep me to informed about origin water product .					
I believe that the promotional messages are clear and understandable.					
I believe that the promotional activities are frequently updated .					
I believe that promotional activities of origin water are ethical					

<b>Distribution strategy</b>					
Origin water is convenient to consume.					
Origin water is good available in Addis Ababa					
I am willing to go to extra mile to purchase origin water.					
I obtained all sizes origin water when I need.					
I have strong trust on the retailers /distributors/ wholesalers of origin water.					
I am satisfied with the service quality level provided by retailers/distributors/ wholesalers.					
I bought the origin water with less waiting time					
I have a low level of conflict with origin water retailers /distributors/ wholesalers partner					
I feel committed towards origin water distribution partner.					

**Thank You**

**Appendix B:**

**Interview Question For Distributers /Wholesalers And Consumer**

- 1.Do you think that the presence of origin natural mineral water in Addis Ababa market is Desirable level?
- 2.How do you see the pricing strategies of origin natural mineral water than other bottled water factory ?
- 3.How do you evaluate the product quality of origin natural mineral water ?
- 4.How do see the promotion activities of origin natural mineral water?

**Appendix C:Regression Result Outputs**

**Descriptive Statistics**

	N	Minim um	Maximu m	Mean	Std. Deviation
I realize that the price of origin water product is fair .	351	1	5	2.19	1.092
I realize that the price of origin water product is lower than other bottled water	351	1	5	2.67	1.202
I compare the price when I purchased bottled water.	351	1	5	2.83	1.204
I realize that the pricing system increases the usage of origin water product	351	1	5	2.63	1.014
I realize that the pricing system of origin water product is psychologically imposing.	351	1	5	2.81	1.138
I would not switch to other bottled water products whatever the price of origin water raise .	351	1	4	2.29	.951
I realize that the price strategy of origin water support its brand.	351	1	5	3.27	1.337

I realize that the pricing system of origin water is in line with long term business goals	351	1	5	2.98	1.341
I feel that the flavor of origin water is fine .	351	1	5	2.96	1.413
I feel that the appearance of origin water is attractive	351	1	5	3.44	1.222
I feel that the color of origin water is well.	351	1	5	3.43	1.154
I feel that the packaging of origin water is good .	351	1	5	3.42	1.291
I feel that the labeling of origin water is attractive.	351	1	5	3.31	1.319
I feel that the origin water product is suited with my lifestyle.	351	1	5	3.06	1.345
I feel that the quality of origin water is better than other bottled water.	351	1	5	2.64	1.341
I feel that there is a consistence in the quality of origin bottled water .	351	1	5	3.29	1.405
I feel that origin water factory respond to changes in customer perceptions and demand.	351	1	5	2.90	1.454
I fell that origin water product is satisfied my need	351	1	5	2.93	1.383
I believe that the promotional strategy is motivating a new use of the product	351	1	5	3.09	1.171
I believe that the promotional strategy is encouraging more frequent use of the product	351	1	5	2.93	1.148
I believe that the promotional strategy is improving my purchase decision.	351	1	5	3.01	1.136
I believe that use of traditional media like radio ,television ,newspapers, magazines and notifications will keep me to informed about origin water product .	351	1	5	3.11	1.232
I believe that use of social media like face book ,twitter , keep me to informed about origin water product .	351	1	5	2.84	1.180
I believe that the promotional messages are clear and understandable.	351	1	5	2.88	1.267
I believe that the promotional activities are frequently updated .	351	1	5	2.77	1.158

I believe that promotional activities of origin water are ethical	351	1	5	3.03	1.289
Origin water is convenient to consume.	351	1	5	2.73	1.308
Origin water is good available in Addis Ababa	351	1	5	2.99	1.294
I am willing to go to extra mile to purchase origin water.	351	1	5	3.06	1.047
I obtained all sizes origin water when I need.	351	1	5	2.73	1.209
I have strong trust on the retailers /distributors/ wholesalers of origin water.	351	1	5	2.95	1.213
I am satisfied with the service quality level provided by retailers/distributors/ wholesalers.	351	1	5	2.97	1.200
I bought the origin water with less waiting time	351	1	5	3.03	1.271
I have a low level of conflict with origin water retailers /distributors/ wholesalers partner	351	1	5	3.03	1.216
I feel committed towards origin water distribution partner.	351	1	5	3.18	1.220
Valid N (listwise)	351				

**Correlations**

		price strategy	product strategy	promotion strategy	distribution strategy	Customer satisfactions strategy	
Spearman's rho	pricestrategy	Correlation Coefficient	1.000	.358**	.351**	.362**	.391**
		Sig. (2-tailed)	.	.000	.000	.000	.000
		N	351	351	351	351	351
	productstrategy	Correlation Coefficient	.358**	1.000	.551**	.570**	.623**
		Sig. (2-tailed)	.000	.	.000	.000	.000
		N	351	351	351	351	351
	promotionstrategy	Correlation Coefficient	.351**	.551**	1.000	.596**	.735**
		Sig. (2-tailed)	.000	.000	.	.000	.000
		N	351	351	351	351	351

	Sig. (2-tailed)	.000	.000	.	.000	.000
	N	351	351	351	351	351
distributionstr	Correlation	.362**	.570**	.596**	1.000	.777**
ategy	Coefficient					
	Sig. (2-tailed)	.000	.000	.000	.	.000
	N	351	351	351	351	351
customersatis	Correlation	.391**	.623**	.735**	.777**	1.000
sfactionstrate	Coefficient					
gy	Sig. (2-tailed)	.000	.000	.000	.000	.
	N	351	351	351	351	351

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