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THE INFLUENCE OF SERVICE QUALITY ON CUSTOMER SATISFACTION AT FRUIT AND VEGETABLES TRADE BUSINESS UNIT (ET-FRUIT)

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ADDIS ABABA, ETHIOPIA

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ATHESIS SUBMITTED TO ST.MARY'S UNIVERSITY, SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION.

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APPROVAL

This research paper entitled as "The Influence of Service Quality on Customer Satisfaction at Fruit and Vegetables Trade Business Unit (Et-Fruit)**"** has been submitted to St. Mary's University, School of Graduate Studies, Institute of Business, with my guidance and approval as a university advisor.

By

Techane Hunde

<u>APPROVED BY BOARD OF EXAMINERS</u>

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Endorsement

This thesis has been submitted to St. Mary's University, school of graduate studies for examination with my approval as a university advisor Assistant Professor Zemenu Aynadis.

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St. Mary's University, Addis Ababa June, 2021

Declaration

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of advisor Ass. Professor Zemenu Ayinadis. 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 in full to any other higher learning institution for the purpose of earning any degree. It is offered for the partial fulfillment of the degree of MA in Business Administration (MBA).

Declared by:

Techane Hunde   --------------------

Name   Signature

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First of all I need to offer a great gratitude for my guidance GOD, who support me in every direction and save me from day to day, challenges and obstacle. Following my rescuer GOD I do not ignore to say thanks to my parents, they advise and support me all direction to reach this level. I also wish to express my sincere appreciation to my advisor Ass. Professor Zemenu Ayinadis. I would like to thank all my teachers at St. Mary's for sharing their invaluable knowledge with me and hence for bringing light in my life. Finally I thank St. Mary's University and my colleagues.

List of Acronyms and Abbreviations

Et-fruit: Ethiopian Fruit and Vegetable Trade Business Unit

SERVQUAL: Instrument of Measuring Service Quality

SERVPERF: Instrument of Measuring Service Performance

SPSS: Statistical Package for Social Sciences

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Abstract

The main purpose of this study is to investigate the influence of service quality dimension and overall service quality on customer satisfaction at Fruit and Vegetable Trade Business Unit (Et-fruit) in Addis Ababa. Also it tries to measure customer satisfaction and the quality of service delivered by Et-fruit service centers. The five dimensions of SERVQUAL (tangibility, assurance, responsiveness, empathy & reliability) were used to measure the quality of service provided by ET-fruit. In order to answer the raised research questions the research uses a quantitative methodology and administered questionnaire to test the hypothesis. Convenience sampling method was used and self-administered questionnaires have been distributed for 385 and out of this, analysis was made based on the data collected from 340 respondents who visited Et-fruit service centers. The findings of the study shown that five service quality dimensions were positively related to overall service quality and have an influence on customer satisfaction. The study results also indicated that the standardized coefficients of four service quality dimensions and to customer satisfaction have the expected positive sign and are statistically significant. Assurance, reliability, empathy and tangibility from dimension of service quality have a significant influence on customers' satisfaction. The study has identified product quality and price which have significant influence on customer's satisfaction. The study found out that, majority of the customers was dissatisfied with the services of Fruit and Vegetable Trade Business Unit (Et-fruit) at service centers.

Key words: Service Quality, SERVQUAL, product quality, Price, Customer Satisfaction, Et-fruit.

CHAPTER ONE

INTRODUCTION

This section discusses the background of the study, Research problems by providing the definitions of customer satisfaction and service quality in order to build the concept, the research question, research objective, significance of study, scope of study, limitation of study and finally the organization of the paper.

1.1 Background of Study

Today the greatest challenges in business organizations is the ever-growing competition, the continuous increase in customer expectation and customers' subsequent demand as service improves. With multidimensional challenges and demand of globalization, the organizations are forced to re-engineer their products and systems to improve the service quality and remain competitive (Yasin et al, 2004). Customer Satisfaction and Service Quality are leading components in the system of external relations of each organization, as today they largely determine its competitiveness. Providing the improved Service quality and customer satisfaction has been the major concern of organizations in any industry. The organizations are trying to achieve customer satisfaction through improved service quality. An organization that consistently satisfies its customers, enjoy higher retention levels and greater profitability due to increase in customer satisfaction (Wicks & Roethlein 2009).

Service Quality is considered to be an important and scorching topic in the present competitive business world. Service quality is a concept that has aroused considerable interest and debate in the research literature because of the difficulties in both defining it and measuring it with no overall consensus emerging on either (Wisniewski, 2001). Service quality in the service providers sector should take into account customer expectations of service as well as perceptions of service. SERVQUAL model is the most often used approach for measuring service quality to compare customers' expectations before a service encounter and their perceptions of the actual service delivered. It has five generic dimensions; tangible, responsiveness, reliability, Assurance and Empathy are stated by (van Iwaarden*et al.*, 2003). Customer satisfaction is a vague and precise concept that determines how happy are with a company's products, service and the actual expression of the state of satisfaction varies from one person to another and from service to

service. The relationship of business firm with the customer is based on the promise that customer satisfaction is achieved through providing standard quality of service.

The high quality demands on customers end is becoming prominent due to the growing fact that high level of service quality leads to sustainable competitive advantage in the competitive business environment (Sureshchandar et al., 2002). It is not surprising to know that quality level of services is the leading phenomena to plan strategies in the services firms (Khamalah and Lingaraj 2007).

Fruit and Vegetables Trading Business Unit has been purchases and sells various types of fresh fruit, vegetable, vegetable seeds and processed agricultural products, mainly; to stabilize domestic market and exports fruits & vegetables for international market. The unit has four main branches (Kera Head office, 2nd distribution branch (piassa), afincho Ber branch, Akaki branch and 53 retailers shop in Addis Ababa and 16 branches in regional states.

Fruit and Vegetables Trade Business Unit is the clear offering products and make distribution to the users. However, unexpected aspect at business unit shows that relationship of customers' perceptions with their expectations of service quality is an area that has not been given adequate attention. Lack of giving care to their customers is may be linked to poor service quality concept by management of the Business Unit in terms of quality of service, products, and customer compliant mechanism were taken as plenty. Therefore, this study is effective to investigate whether the Fruit and Vegetable Trading Business Unit is satisfying its customers by delivering quality service and service salvage in case if there is a failure of service.

1.2 Statement of the Problem

Providing Quality of Service in business organization is considered to be an important role in the present competitive business world. In order to achieve their goals, service supplier's organization will essential to recognize in what way customers evaluate the quality of their service providing, how they select one organization in preference of other and on what basis they give their continuing livelihood.

As (Ranjbarian & Gholizadeh, 2008) stated that several dimensions affect the overall quality of service, customer expectations from each of these factors is also different as well as the impact of customer expectations on understanding overall quality of service is different. Therefore,

many factors are important in improving service quality; customer perception over service quality is strongly influenced by the social interactions they experience with employees. Zeithaml and Bitner(2003) affirm that "a sound measure of service quality is necessary for identifying aspects of service needing performance improvement and also assessing how much improvement is needed on each aspect of the service offerings".

Understanding customer satisfaction in the organization should be considered as a major issue. Customer satisfaction is increasingly as basis of standard performance for any business organization and whatever organization has more satisfied customers and increase the purchase rate and reduces the desire for change (Jamali, 2007). According to Sureshchandar et al (2002) customer satisfaction should be seen as a multidimensional construct just as service quality meaning it can occur at multi levels in an organization and that it should be operationalized along the same factors on which service quality is operationalized.

The key mission of Fruit and vegetable trade business unit (Et-fruit) is to stabilize domestic market and exports fruits & vegetables for international market to become the choice of its customers. Thus the service quality delivered by the business unit is an important for the achievement and growth of the Fruit and vegetable trade business unit. Consequently there are customers' complaints on the service quality offered by Fruit and vegetable trade business regarding to quality of service delivered (product and price of services), lack of customer handling and lack of measuring the actual perceptions of its customer toward service delivered. In order to satisfy customers, conveying a good quality of service is a key to bring a sustainable competitive advantage over competitors.

The purpose of this study is to identify which variables determine the level of customer satisfaction in Fruit and Vegetable Trade Business sector and compare if the product offered to customer could satisfy the customers. The study pinpoints which of the variables are determinant from Fruit and Vegetables Trade Business service centers and which variables are more significant to customers.

1.3. Research Questions

Based on the identified research problem, the research questions are formulated as follows and the study will be required to answer the following questions;

♦ How to examine the level of customer satisfaction in Fruit and vegetables trade business unit service center?

♦ How to determine the customers' perceptions of the services provided to them by Fruit and vegetables trade business unit with respect to customer service quality dimension.

♦ What is the relationship between service quality dimensions, product quality, price and customer satisfaction in Fruit and vegetables trade business unit?

1.4. Objectives of the study

1.4.1. General objective

The main objective of this study is to explore the influence of service quality on customer satisfaction in Fruit and vegetables trade business unit (Et-fruit) in Addis Ababa.

1.4.2. Specific objectives

❖ To examine the level of customer satisfaction in Fruit and vegetables trade business unit service center.

❖ To determine the customers' perceptions of the services provided to them by Fruit and vegetables trade business unit with respect to customer service quality dimension.

❖ To investigate if there is a relationship between service quality dimensions, product quality, price and customer satisfaction.

1.5. Definition of Terms

Customer satisfaction: - Customer satisfaction is the physiological state of emotion associated with the conformity or nonconformity of a consumer's perceived quality of service during and after service experience (Kaura, et al., 2012).

Fruit and vegetables trade unit: - is a unit that purchase fruit and vegetables and factory processed product and sell in whole and retailer.

Fruit: - Edible parts of plants that contain the seeds and pulpy surrounding tissue

Perception: - Perception is "the process by which an individual selects, organizes and interprets information inputs to create a meaningful picture of the world" George (2004).

Service quality: - Service quality is a form of attitude, related but not equivalent to satisfaction, and results from a comparison of expectations with perceptions of performance Parasuraman, Zeithaml and Berry (1988).

SERVQUAL: - The SERVQUAL is a measurement model for service quality that has been extensively applied in many studies focusing on service quality assessment Zeithaml et al., (2008:154).

Vegetable: - Edible plant parts are including stems and stalks, roots, tubers, bulbs, leaves, flowers and fruits.

1.6 Significance of the Study

The purpose of the research is to determine whether there is a statistically significant difference between the services offered by the Et-fruit as perceived by its customers. The study would also enable the unit to develop strategies and improve the quality of service delivery, to recognize its performance deficiencies and to find constructive ways of improving its service quality to enhance customer satisfaction.

The study also have a significant role to future research as it will serve as an important source of new research questions and scientifically analyzed information on the influence of service quality on customer satisfaction in business firms.

1.7 Delimitation/Scope of study/

The study was conducted at Fruit and Vegetables Trade Business Unit (Et-fruit). Fruit and Vegetables Trade Business Unit has four main branches and 53 sales outers in Addis Ababa and 16 regional branches in the country. Since, the study will bound to Fruit and Vegetables Trade Business Unit; specifically the respondents or Sampling frame is taken as the customers residing in the city of Addis Ababa only in order to obtain accurate and valuable data about the topic under study.

1.8. Limitation of the Study

Because of time and budget constraint, the study was conducted at Fruit and Vegetables Trade Business Unit service center found in Addis Ababa. In addition, there is lack of research documents and reference in Fruit and Vegetables Trade Business Unit on the influence of service quality on customer satisfaction.

1.9. Organization of the paper

The study organizes into five chapters. The first chapter is the introduction which includes introduction, statement of the problem, Research Question, objective the study, significance of the study, scope of the study, Limitation of the Study and organization of paper. The second chapter presents the review of related literature on service quality and customer satisfaction, whereas the third Research Design and Methodology, Population and Sampling Techniques, Data types and Source, Data Collection method, Methods of Data Analysis . Next to that, the fourth chapter focuses on the data analyses and presents the research findings. Finally, the last chapter ends with Summary of Finding, Conclusions, Recommendations, Limitation and feature direction of the study.

CHAPTER TWO

LITRATURE REVIEW

This section reviews the past literature related to the Influence of service quality and customers satisfaction in business firms. The researcher reviewed different sources of literature related to concepts on the Influence of service quality and customers satisfaction. The key contents of this chapter are review of the theoretical review and empirical review related to services, service quality and customer satisfaction in service providing organization and other service sectors. After critical reviews, the conceptual framework of the study is drawn.

2. Theoretical Review

2.1 Service Concept
The service concept is a frequently used term in the service design and indeed much of the above work recognizes, explicitly or implicitly, the importance of the service concept. Edvardsson et al. (2000) define the service concept as a detailed description of the customer needs to be satisfied, how they are to be satisfied, what is to be done for the customer, and how this is to be achieved. Service design and development involves understanding the needs of customers in developing market, operation content and aligning this with the organization's strategy and competitive intentions(Goldstein et.al2002).

2.2. Characteristics of service
According to Kottler (2006) services have four major characteristics that greatly affect the design of marketing program and these are intangibility, inseparability, and variability and perishability.

Intangibility: Services are intangible unlike physical products, they cannot be seen, tasted, felt heard or smelled before they are bought. Intangibility may represent the most critical difference between services and goods, and presents several implications for marketing.

The most common definition of intangibility is the state of not being palpable and material (Lovelock and Gummesson, 2004).

Inseparability: Inseparability of production and consumption involves the simultaneous production and consumption which characterizes most services. Whereas goods are first produced, then sold and then consumed, services are first sold, then produced and consumed simultaneously (Zeithaml, Bitner & Gremler, 2006).

Variability: Services are highly variable, since they depend on who provides them and when and where they are provided. Service firms can take the following three steps to help manage service variability. i, providing employee incentives that emphasize quality; *ii,* standardizing the services performance process throughout the organization. *iii,* monitoring customer satisfaction through suggestion & complaint systems, customer surveys and comparison shopping can enable to eliminate and correct poor customer service.

Perishability: In general, services cannot be stored and carried forward to a future time period. Services are item -dependent and item- important which make them very perishable. Due to the fact that services cannot be inventoried implies that forecasting demand levels and planning ahead for capacity utilization are challenging areas for marketers (Zeithaml and Bitner, 2003).

2.3. Service Quality

According to ISO, 1994 Quality is "the totality of features and characteristics of a product or service that bears on its ability to meet a stated or implied need". In line with definitions of quality using the user-based approach, some definitions of service quality focus on meeting customers' needs and requirements and on how well the service that is delivered matches the customers' expectations (Gaster & Squires 2003:5; Marx 2005:7; Venter & Dhurup 2005:30).

Service quality refers to an approach shaped by an enduring overall assessment of a firm's performance. Service Quality is considered to be an important and scorching topic in the present competitive business world.

The organizations are trying to achieve customer satisfaction and customer loyalty through improved service quality. Today, quality of service plays a crucial role in the success of the organization in creating competitive advantage and increase competitive power (Michael Rob et al.., 2009). As Grönroos (2008) concludes that, the quality of the service is always based on the customer's expectations and/or experience.

2.4 Customer Service Perception and expectation

In case of customer perceptions, it is important to recognize that customers will have perceptions of single, transaction-specific encounters as well as overall perceptions of a company based on their experiences. On other hand, Customers have expectations on how their needs and wants are met and that consistently form impressions about the actual service offered them in comparing with their expectations.

Knowing what the customer expects is one of the most critical factors in delivering good and service quality (Zeithaml et. al.2009). Perceptions of a service are a complex series of judgments formed during or at the end of the experience (Williams and Buswell, 2003). Customer satisfaction therefore, is "the result of customers' assessment of a service based on a comparison of their perceptions of service delivery with their prior expectations (Johnston and Clark, 2005).

2.5. Measurement of Service quality

Service providers firms offer sufficient time and resources on measuring and dealing with customer satisfaction, customer loyalty and service quality. They must identify and regularly measure serious elements of customer service against performance standards. Gilmore (2002) discusses that measurements need to take account of different types of concepts and customers. Certainly, different measurement principles are mandatory for different concepts such as service quality, customer satisfaction, customer perceptions, expectations and loyalty (Seth et al., 2005). Evaluation of these ideas will also involve the use of different measuring scales, and scope of opinions, attitudes and behavior.

In addition to its conceptualization, measurement of service quality is also discussed intensively, yet it lacks a general/widely accepted measurement instrument (Seth et al., 2005). So, customers measure service quality in terms of how much pleasure they have received from a service. Jiang and Wang, (2006) concluded that the role of perceived service quality in customer satisfaction is established but the conditions under different dimensions of effect will or will not influence service quality evaluation and customer satisfaction. The following measurement models are used to measure service quality. The following methods are used to measure service quality in this study.

2.5.1 SERVQUAL Model

In SERVQUAL model, service quality is linked to the concepts of disconfirmation or gap between customers' perceptions and expectations. Many researchers have used the SERVQUAL dimensions as the basis for their research, and consequently SERVQUAL "has undoubtedly had a major impact on the business and academic communities" and has been said to be "insightful practical framework to use in service quality management" (Christopher, Payne and Ballantyne, 2002). Brady and Cronin (2001, p. 36) suggested that the SERVQUAL model uses the terms that describe one or more determinants of a "quality service encounter".

In the original paper Parasuramanet al. (1985) identify the 10 core components of service quality as reliability, responsiveness, competence, access, courtesy, communication, credibility, security, customer knowledge, as well as tangibles. They held that, when perceived or experienced service is less than the expected service. It implies less than satisfactory service quality; and when perceived service is more than expected service, the obvious inference is that service quality is more than satisfactory (Jain et al., 2004,). From the technique this model is offered, it looks the goal of SERVQUAL best fits the assessment of service quality form the customer perspective.

In subsequent research (Parasuraman et al., 1988, 1991, 1994a), the service dimensions are collapsed into five categories tangibles, reliability, responsiveness, assurance, and empathy.

Tangibility: The tangibles encompass the appearance of the company representatives, physical facilities including personnel, equipment, building and renovation. Service organizations often use tangibles to enhance their image, provide continuity and signal quality to customers. In contrast, organizations that do not pay attention to tangibility dimensions of the service strategy can confuse and even destroy a good strategy Wilson et al., (2008).

Reliability: describes the capabilities to fulfill promised services accurately and dependably. Wilson et al. (2008), state that reliability means that the organization delivers on its promises about service delivery, service provision and problem resolution. Reliability is consistently the most important determinant of perceptions of service quality Wilson, Zeithaml, Bitner & Gremler, (2008).

Responsiveness: the employees always willing to help the customers and they should have a time to respond to customers request, questions, complaints, and problems. It describes the intentions of the firm and its willingness towards customers' help (Olu Ojo, 2008). Accurately to differentiate themselves on responsiveness Companies need well-staffed customer service department and responsive frontline people in all contact positions.

Assurance: It involves the understandings and courtesy of employees, their capabilities to convey confidence and trust. This dimension is mainly important for services that customers observe as high risk or for service of which they feel uncertain about their ability to evaluate outcomes. Bateson & Hoffman (2011) define assurance as competence pertains to the organization's knowledge and skills in performing the promised service and refers to how the organization's employees interact with the customer and the customer's possessions.

Empathy: It refers to the SERVQUAL assessment of a firm's ability to place itself in its customers' place. Wilson et al. (2008), the essence of empathy is conveying, through personalized or customized service, that the customers are unique and special and that their needs are understood. Empathetic firms have not lost touch with what it is like to be a customer of their own organization.

2.5.2 Gap model

The Gap model of service quality was developed by Parasuraman, Berry and Zeithamland more recently described in Zeithaml and Bitner (2003).The detailed study of service businesses consisted of personal interviews with executives from various areas of the firms, to understand their perception of service quality expectations versus focus customer groups. Parasuraman et al. in 1985 proposed that service quality is a function of the differences between expectation and performance along the quality dimensions. They developed a service quality model based on gap analysis. The various gap visualized in the model are:

Gap 1: **Consumer expectation-Management perception gap: -** Is the difference between consumers' actual expectations and that of management's perceptions of customer expectations. The gap model would enable management to identify reasons for poor performance in its organization and to take appropriate measures for the improvement of the same (Blesic et al., 2011).

Gap 2: Management perception-Service quality specification gap: - The difference between management perception of consumers' expectations and service quality specifications i.e. improver service quality standards. The gap occurs when the service firm is not able to set the expected customer service standards due to lack of understanding (Parasuraman and Zeithaml, 2006).

Gap 3: Service quality specifications-Service delivery gap: -Is the difference between the service delivered and the requirements stated in the firm's service standards. This gap could arise when there is an issue about transparency of internal marketing relationships or when there is a commitment or interaction issue between management and workers (Vauterin, et al., 2011).

Gap 4: Service Delivery – External communication Gap: -Is the difference between the firms' stated service standard and the firms' external communication. This gap is as a result of inflated service standards being communicated to the customer and the firm is not being able to meet these standards (Parasuraman and Zeithaml, 2006).

Gap 5: Expected Service - Perceived Service Gap: - The difference between consumer's expectation and perceived service. This gap depends on size and direction of the four gaps associated with the delivery of the service quality on the marketer's side. The measurement instrument SERVQUAL, which was developed to measure this Gap, gave an advantage to this model in measuring, understanding and improving the service quality (Gow, 2014).

2.5.3 Functional and Technical Dimension Model

Service quality has advanced from technical, functional and image dimensions to service as an economic activity and developed in focus, with customer's participation as co-creators of their own value becoming a dominant factor in firm's business success (Ganesh & Haslinda 2014). Greenrooms' (1984) model of technical and functional quality is one of the extensively studied models of service quality. The author identified three components of service quality viz; technical quality, functional quality and image:

1 Technical quality refers to the same what has been described as outcome quality. Technical quality is the quality to what customers are left with after the consumption of services (Fassnacht & Koese, 2006).

2 Functional qualities is how the customer gets the technical outcome which is important to the customer and shapes views of service he/she has received. A review of the literature point out that functional quality attributes have been intensively researched using SERVQUAL and its modified versions (e.g., SERVPERF, LODGQUAL, LODGSERV, HISTOQUAL etc.). However, technical quality attributes are somewhat ignored and not discussed (Wilkins et al., 2007; Wu &Ko, 2013; Yu & Ramanathan, 2012).

3 **Image** is mainly the result of both technical and functional quality of service the firms conveys with other factors such as tradition, ideology, word of mouth, pricing and public relations.

2.5.4 SERVPERF Scale

The SERVPERF scale is found to be superior to the SERVQUAL scale for being able to explain greater variance in the overall service quality measured through the use of single item scale and it has been empirically proofed. It is also evident that SERVPERF is more efficient in reducing the number of items to be measured by 50% than SERVQUAL (Babakus and Boller, cited in Shanka, 2012).

Furthermore, according to Cronin and Taylor (1992), their performance based SERVPERF scale is a better method of measuring service quality. They claim that this scale's reliability ranges between 0.884 and 0.964 depending on the industry type and exhibits both convergent and discriminate validity (Mesay, 2012). In addition, it is more concentrated on functional quality of dimensions which is good to assess the impact of the quality of outsourcing service delivery.

2.6. Customer Satisfaction

Customer satisfaction is the result of a comparison between customer purchase of the expected performance with actual performance and perceived and payment expenses (Taghizadeh, 2012). Customer satisfaction has been one of the top tools for a successful business firms. Customer satisfaction is increasingly as basis of standard performance for any business organization and whatever organization has more satisfied customers and increase the purchase rate and reduces the desire for change (Jamali, 2007).

According to Gustafsson (2005) customer satisfaction is defined as a customer's overall evaluation of the performance of an offering to date. Hayes (2008) defined the terms of customer satisfaction and perceptions of quality are labels we use to summarize a set of observable actions related to the product or service. The distinction between customer satisfaction and service quality are considered an important issue for managers and service providers need to provide high quality services to meet customer satisfaction as their business objectives (Santos and Boote, 2003).

Customers would be satisfied if the outcome of the service meets expectations and dissatisfied when the perceived overall service quality does not meet expectations (Looy, Gemmel & Dierdonck, 2003). Minazzi (2008) highlighted that customer satisfaction is the result of comparison between customer's expectations and customer perceptions.

Increasing customer satisfaction leads to behavioral outcomes such as commitment, a desire to remain a two-way link between the service provider and the customer, increasing customer's tolerance to failures in service delivery and positive oral advertising about organization (Hosseini et al, 2010). Customer satisfaction depends on reliability, responsiveness, and assurance, empathy and tangibles dimensions and on additional elements like price, personal and situational factors that may occur during the service supply (Hoffman and Bateson, 2002).

According to Erto and Vanacore (2002:166) the customer is actively participating in service process, and furthermore he is seen as a consumer of a service as well as an evaluator of service received.

2.6.1 Product quality and Customer Satisfaction

Product Quality is the extent to which a product successfully serves the purpose of the consumer (Beverly. et.al 2002). Kotler and Armstrong (2012) described that "product is anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a need" of customer's expectation. For companies engaged in the manufacturing sector, product quality is a subject that must be considered because it has a direct effect on customer satisfaction (Bacile, Wolter, Allen, & Xu, 2018). Most of the time, the preference of consumers were a good quality of products with low price. Therefore, the fruit, vegetables and factory processed products are must be fresh, Tasty, good quality, safety and without burdens to the consumer.

2.6.2 Price and customer satisfaction

Kotler and Armstrong (2012) stated that "Price is the amount of money charged for a product; the sum of the values that customers exchange for the benefits of using a product or service ". Customers' expectation on high-low price of a product can be a significant influence on a customer target to purchase the product. (Razak 2016), Bei and Chiao (2001) state that, how customers perceive a certain price; in which the high-low price of a product can be a significant effect on a customer intention to purchase the product. Customer will give an attention to the price paid by other customers, no one is happy to pay more cash compared to other customers. The fairness of the price will influence the perception of the customers and it ultimately will influence their willingness to become a customer (Razak 2016). Setting the lower price will affect the profitability of the company and also setting higher price of product will not be able to stand in competition market and may be forced out of the competition market.

Currently there are a numerous of business firm involved in fruit and vegetable producers and sellers, this means Fruit and vegetable Trade Business Unit is working within a competitive environment. Therefore, Et-fruit could set the appropriate price that can fulfill the perception of the customers and lead them in a competitive market.

2.7. Reasons for measuring a customer satisfaction:

2.7.1. Complaints management

Complaint management has become a part of most companies' customer retention strategies as more and more companies recognizes the value in developing and maintaining long-term relationships with their customers. Customers who make complaints are providing an organization with the opportunity to solve certain operational malfunctions, to learn from negative situations and consequently to re-establish their satisfaction and trust (Shahin, 2000). Organization should provide necessary or suitable training to service providers in terms of skills, attitude and positive behavioral reactions toward difficult situations which it will all give the confidence in staff to be empowered (Shahin, 2000).

Very few dis-satisfied customers complain, making this a meaningless measure of customer satisfaction (Mumford 2007) which means most companies often think that their customers are satisfied because they rarely receive any complaints. Customer satisfaction plays a crucial role as it determines the quality in the service setting.

In return, it will provide a competitive edge to any organization which is competing against its competitors (Tan & Saludin, 2009). Therefore, information gathered from customer complaints is of great significance for the quality management process, as it can be used to correct and learn about weaknesses in product quality and delivery system.

In certain circumstances, customers become almost inevitably unhappy due to various problems or difficulties that are not always under the direct control of the company. Customers become dissatisfied when product or service performances are not up to their expectations. Understanding the potential sources of dissatisfaction and customers' reactions to negative situations are mandatory requirements in the design of effective service recovery strategies. Customer responses to various errors or unpleasant incidents are not unique (Voinea et al., 2011).

2.7.2 Service Excellence

"Service Excellence" indicates that organizations have continually to do more in order to deliver excellent service and delight their customers. It has been suggested that, in the past, many organizations have been satisfied with simply appeasing their customers whereas today the

emphasis is on customer satisfaction (Fisk, 2002). Service excellence is important to customers because it provides the best services to facilitate ease of fulfillment of needs and realize satisfaction, so that they are always loyal to the organization or company (Swastika 2005: 3). In today's competitive environment, customers' expectations and technological innovation demand that service leaders distinguish them from the competition by truly delighting the customer. SAI-Global (2004) states as 'Business Excellence provides organizations with a systematic and structured approach to assess and improve the performance of its leadership and management systems in the key areas of organizational capability, namely: Leadership; Strategy and Planning; Data, Information and Knowledge; People; Customer and Market Focus; Innovation, Quality and Improvement; Success and Sustainability'.

Excellent service which delights customers requires that organizations under take continuous service innovation. Service innovation, as defined here, is a process involved with the transformation of an organization's dormant assets (service elements which include technology, service processes, environment and people) into something of substantially greater value to both the customer and the organization. Consequently Johnston (2004) proposes four major issues that determine service excellence. These are:

Delivering the promise - means "Keeping Promise" by undertaking what you promise to your customer. Beneath- delivery on a promise amounts to make unhappy the customer and will cause them to be dissatisfied and be disloyal to the organization.

Personal touch –means **"**keep in touch the right way**"** by giving the customer satisfactory attention when dealing with them. Eye contact and smiling are some of the good manners required when dealing with a customer. Personal touch may include giving the customer more time, developing an understanding to know customers well and building a long term relationship that goes beyond the usual business transaction.

Going the extra mile –service provider employees must go out beyond their technique to explain about the service in fact. At whatever time a promise is made and is not met, the staff responsible for that action should call back customers and advise on the situation. The staff should take the initiative to contact clients and redress situations and not wait for customers to follow up on them because this will result in poor relations between the customers and the organization.

Solving problems and queries is the ability to take responsibility in examining with problems. For instance Sales staffs are expected to be open, honest, and ethical and show integrity to the customers. If customers have queries on issues such as non- availability of certain brands, poor product quality concerns or price increases they expect quick solutions to their problems.

2.8. Empirical Review

2.8.1. Relationship between Service quality and customer satisfaction

Several researchers tried to measure the relationship between service quality and customer satisfaction. The study of Lee et al. (2000); Gilbert and Veloutsou (2006); Sulieman (2011) suggest service quality leads to customer satisfaction which means to achieve a high level of customer satisfaction, high level of service quality must be delivered by the service provider. Empirical studies show that service quality has a positive relationship with customer satisfaction. Sureshchandar et al. (2002) also found that service quality and customer satisfaction are highly related.

Many researcher states that service quality is developed by comparing performance perceptions and ideals related to dimensions of quality, satisfaction Contradicts with expectations that are predictive regarding both non quality dimensions and quality dimensions.

Service quality and customers satisfaction have certain things in common, but satisfaction generally is a broader concept, whereas service quality focuses specifically on dimensions of service (Wilson, 2008). A great similarity between the customer satisfaction and service quality is observed by different researchers; however researchers are careful to say that these two are different concepts. When perceived service quality is high, then it will lead to increase in customer satisfaction. This fact supports that service quality leads to customer satisfaction and this is in line with Saravana & Rao (2007) and Lee et al (2000) who acknowledge that customer satisfaction is based upon the level of service quality provided by the service provider. According to Negi (2009) the idea of linking service quality and customer satisfaction has existed for a long time. He carried a study to investigate the relevance of customer-perceived service quality in determining customer overall satisfaction in the context of mobile services (telecommunication) and he found out that reliability and network quality (an additional factor) are the key factors in evaluating overall service quality but also highlighted that tangibles,

empathy and assurance should not be neglected when evaluating perceived service quality and customer satisfaction. Suleiman (2011) found that reliability, tangibility, responsiveness and assurance have significant and positive relationship with customer satisfaction.

Fen & Lian (2005) found that both service quality and customer satisfaction have a positive effect on customers re-patronage intentions showing that both service quality and customer satisfaction have a crucial role to play in the success and survival of any business in the competitive market. This study proved a close link between service quality and customer satisfaction. Sebastianelli, &Tamimi, (2002) carried a study to find out the link between service quality and customer satisfaction, from their study, they came up with the conclusion that, there exist a great dependency between both constructs and that an increase in one is likely to lead to an increase in another. Also, they pointed out that service quality is more abstract than customer satisfaction because, customer satisfaction reflects the customers feeling about many encounters and experiences with service firm while service quality may be affected by perceptions of value (benefit relative to cost) or by the experiences of others that may not be as good.

Tibebe (2012) studied the relationship between service quality and customer satisfaction using five dimensions of SERQUAL model which are reliability, assurance, tangibility, empathy and responsiveness in NALF in Ethiopia. The study used quantitative methodology and a self-completion questionnaire to analyze data from a convenient sample of 300 respondents. The findings of the study indicated that five service quality dimensions were positively related to overall service quality and are indeed drivers of service quality which in turn has an impact on customer satisfaction.

Customer satisfaction should be seen as a multidimensional construct just as service quality which occurs at multi levels in an organization and that it should be operationalized along the same factors on which service quality is operationalized. Several researchers tried to measure the relationship between service quality and customer satisfaction. A number of empirical studies have been conducted on the subject of service quality and customer satisfaction (Choi et al., 2004). Service quality is developed by comparing performance perceptions and ideals related to dimensions of quality, satisfaction Contradicts with expectations that are predictive regarding both non quality dimensions and quality dimensions.

In Ethiopia different studies have been done on customer satisfaction in the public organizations (e.g. A survey on the assessment of customer satisfaction on Ethiopian Telecom (Potluri & Mangnale, 2010), A research note on Clients and clinician satisfaction with laboratory services at selected government hospitals in eastern Ethiopia (Zelalem et.al, 2013).

Zeithaml, 2006 stated that there are factors such as price, product quality, delivery etc. can affect customer satisfaction; perceived service quality is a component of customer satisfaction. Service quality originates from satisfaction and disconfirmation (negation) of desires is not related to satisfaction, except through the perceptions of service quality. Product quality and price has a role to build up and critical determinant of consumer satisfaction Khan and Ahmed (2012). Moreover, Ehsani (2015) concluded that "price can be used as a resource to increase both profit and customer satisfaction in service delivery organization.

2.8.2 Measurement of Service Quality

The measurement of service quality in the service sector should take into account from the best prospective customer perception of service. Measuring service quality enables organization to know its position in the market and provides a strategic advantage to enhance its competitiveness. According to (Hill, Roche & Allen 2007.), to recognize the needs of the customer is to satisfy the customer and to meet the need of the customer, a measurement of customer satisfaction is what matters the organization. Measurement of service quality presents areas of strengths and weakness that offer opportunities to the organizations to initiate appropriate response to focus and improve salient attributes of customer perceived service quality. A reliable measure of service quality is critical for identifying the aspects of service needing performance improvement, measuring the degree of improvement needed on each aspect and evaluating the impact of improvement efforts Zeithaml et al., (2008:151).

Number of firms use quality product as a strategic means for competitive advantage and improving firm performance (Reed, Lemak, & Mero, 2000). Lars, Michael, Anders (2001) analyze and investigate how key internal quality practices of product versus service organizations (employee management, process orientation, and customer orientation) influence customer satisfaction and business results. Researchers have used different instruments to measure service quality index. The most widely used instrument is SERVQUAL scale.

Researchers have found this instrument valid and reliable in numerous studies (Cronin and Taylor, 1992; 1994).

SERVQUAL scale measurement of expectations, positively and negatively worded items, the ability to generalize its dimensions, and the defining of baseline standard for good quality (Lai et al., 2007). The SERVQUAL dimensions: tangibles, reliability, responsiveness, assurance and empathy are the basis for service quality measurement.

2.9. Conceptual Frame Work

The conceptual framework was developed by basic examiner after a carefully reviewing the literature on influence service quality and customer satisfaction. The conceptual framework (Figure 2.1) clarifies the basic procedure that applied to guide this study. As debated in the figure below, the SERVQUAL model is appropriate for measuring the level of service quality and customer satisfaction using the service quality dimensions.

Service Quality Dimension
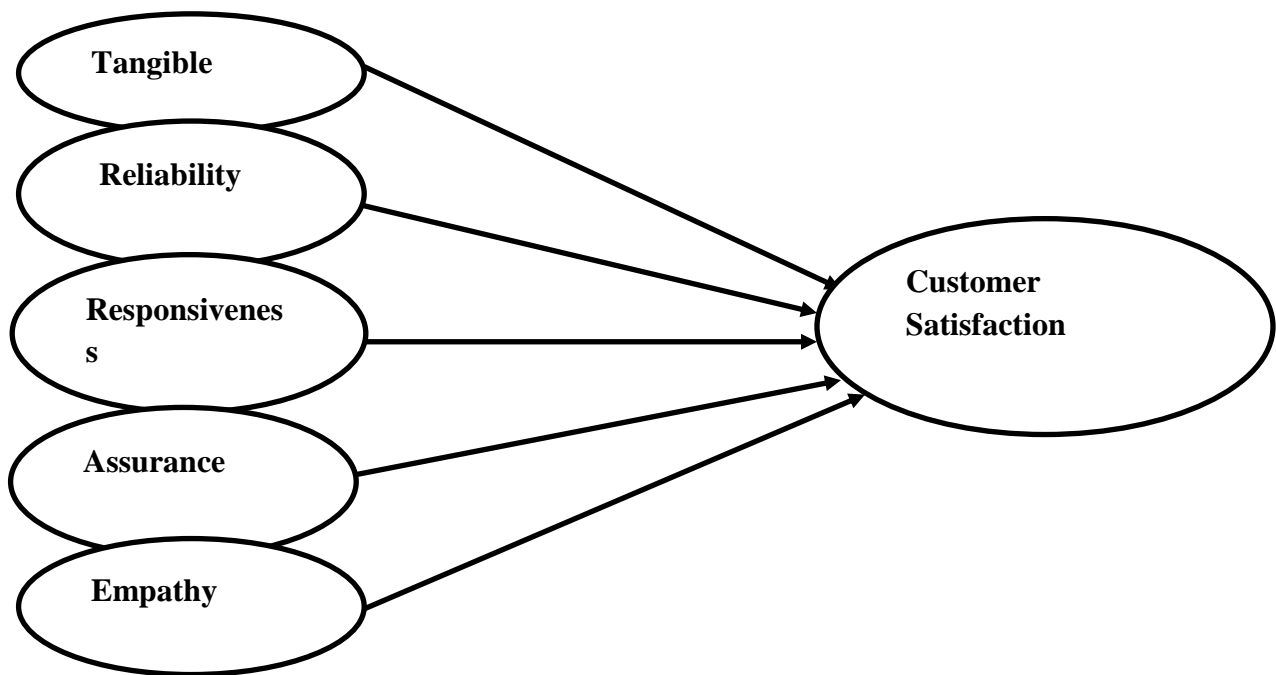
Fig 2.1 Conceptual framework of the study adapted from Nguyen et.al (2018).

2.11. Research hypotheses

In order to discuss the influence of five service quality dimensions on customer's satisfaction, the research hypotheses are as follows:

H 1 Tangibles will have a positive influence on customer satisfaction.

H 2 Reliability will have a positive influence on customer satisfaction.

 H 3 Responsiveness will have a positive influence on customer satisfaction.

H 4 Assurance will have a positive influence on customer satisfaction.

H 5 Empathy will have a positive influence on customer satisfaction

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

In this chapter the researcher discussed the methods used to undertake the study from the collection of data to methods applied to analyze the collected data. Research design, sample and sampling technique, instrument of data collection, data collection procedure and finally data analysis technique is discussed under this chapter.

3.1. Research Design

The study used a Fruit and Vegetables Trade Business Unit (Et-Fruit) with an explanatory research design method to know the influence of service quality on customer satisfaction. Explanatory research design is used to explain the level of customer satisfaction and service quality in Et-Fruit therefore, giving a detailed understanding of the reality of customer satisfaction with service quality in Et-Fruit including of products offered or service quality, service delivery method and sales price. In order to identify the relationship between service quality dimension and customer satisfaction in addition to the influence of service quality dimensions on customer satisfaction, causal research design is applied.

To answer the stated research questions and to achieve the objective of the study, descriptive statistics such as frequency, percentage, mean and standard deviation were used to assess service quality and measure customer satisfaction level in Fruit and Vegetables Trade Business Unit (Et-Fruit) and inferential statistics such as regression and correlation are applied to identify the relationship between service quality dimensions and customer satisfaction (test hypothesis).

3.2 Research approach

The study is conducted as a quantitative research that primarily focuses on the construction of the quantitative data. So the research approach is deductive because it is not developing theories rather theory testing.

3.3 Source of Data

The Source of Data used in this research was both primary and secondary. Primary data is collected from customers' of Et-fruit service center found in Addis Ababa.

The sources of secondary Information are collected from published and unpublished materials like newsletters, manuals, magazines, and annual reports.

3.4 Sampling Techniques and procedures

In this study primary data is collected through administrating questionnaire. Convenience sampling method was used to get respond from respondents. Four service branches (Kera Head Office and retailing shop, 2nd distribution Branch and 5 sub retailing shop, Afincho Bar Branch and 5 sub retailing shop and Akaki Branch and 4 sub retailing shop were selected for the investigation from each branches. Then from four service center (100 respondents from Head office, 100 respondents from 2nd distribution branches, 100 respondents from Afincho bar branches and 85 respondents from Akaki branches) were selected by the researcher. Respondents were wished to fill the questionnaire on their way out from the selected 4 service branches and retailing shop.

3.4.1 Population and Sample Size Determination

To determine the sample size, the target population of the study is from Et-fruit service user's customers who visit Et-fruit service providers' branches and sub retailing shop to get the accurate services provided at service centers in Addis Ababa. The method of sample size determination was taken from Goden formula for infinite population. Based on this, the sample sizes of 385 respondents were selected from 4 Addis Ababa branches (Kera Head Office 50 respondents and 50 respondents from 5 sub retailing shop each 10 respondents out of 21 retailing shop including Gotara, Adey Ababa, Jemo kutir1, Makenisa Abo and Alem Bank, 2nd distribution Branch 50 respondents and 50 respondents from 5 sub retailing shop each 10 respondents out of 14 retailing shop including Georgis, Mexico, Markato, Bole and Asko, Afincho Bar Branch 50 respondents and 50 respondents from 5 sub retailing shop each 10 respondents out of 12 retailing shop including Sidist Kilo, Minilik, Megenagna, Civil Service and Gerji and Akaki Branch 45 respondents and 40 respondents from 4 sub retailing shop each 10 respondents out of 6 retailing shop including Galan, Kality Tena Tabiya, Akakikutir1 and Bole bulbula. Sample size formula for infinite (more than 50,000) population used to arrive at a representative number of respondents (Godden, 2004):

$$SS = \frac{z^2 * p(1 - p)}{m^2}$$

Where, SS is the sample size for infinite population (more than 50,000), z is the standard normal deviate set at 1.96 (for 95% confidence level), m is the margin of Error at 5% (taken as 0.05) and p is the estimate of the proportion of our target population satisfied with Et-fruit service (50%) is assumed.

$$SS = \frac{z^2 * p(1-p)}{m^2}, \qquad SS = \frac{1.96^2 * 0.5(1-0.5)}{0.05^2} = 384.16 \approx 385$$

3.5 Data collection instrument

The main instrument used for data collection was questioner for Et-fruit major customers in Addis Ababa who has access to use the company products or service because it help to get the required information from primary source whereas secondary data is obtained by referring internal documents, journals and related literature. The questionnaire was first prepared in English and translated to Amharic. The Amharic version questionnaire is back translated to English to check the consistency of items.

3.6. Description of Variables

3.6.1 Dependent variables
The dependent variable in this study is "Customer satisfaction".

3.6.2. Independent Variables
The independent variables are categorized in to four groups. Socio-demographic characteristics include age, sex, educational status, and degree of satisfaction. Service quality dimension includes reliability, tangibility, responsiveness, assurance, empathy and Products quality and Price etc.

3.7 Data analysis methods
The collected data are analyzed using statistical package for social sciences (SPSS) version 20 application program. In addition to this, Simple descriptive statistics like frequencies mean and percentage techniques were applied to analyze background information of respondents. Similarly the relation between the overall five service quality dimensions and customer satisfaction are discovered using correlation analysis. Linear regression analysis is used to determine the association between each of the independent variables and dependent.

3.8. Reliability and Validity

3.8.1. Reliability
The reliability refers to a measurement that supplies consistent results with equal values (Blumberg et al., 2005). It indicates the extent to which it is without bias (error free), and hence insures consistent measurement cross time and across the various items in the instruments. Cronbach's alpha is used in this study to assess the internal consistency (reliability of the instrument or questionnaire). Cronbach's alpha reliability analysis is conducted on the independent variables in order to determine the reliability of the instrument is used to measure internal consistency of a test. Reliability issues are most of the time closely associated with subjectivity, and once a researcher adopts a subjective approach towards the study, then the level of reliability of the work is going to be compromised (Wilson, 2010). The coefficient of reliability falls between 0 and 1. The internal consistency of the item is better, as the result approaches to 1, that means the items measures the same variable i.e. service quality dimension and customers" satisfaction.

3.8.2. Validity
Validity is defined as the extent to which an instrument measures what it asserts to measure and the degree to which the results are truthful. Validity of a research instrument assesses the extent to which the instrument measures what it is designed to measure (Robson, 2011). To ascertain the validity of the dimensions whether they can measure the predefined dependent variables or not different theories and empirical studies are assessed to assure its validity. In this study the target population was major customers in Addis Ababa and the sample is enough to generalize for the whole population of Et-fruit major customers. In this study, different theories and empirical studies have been assessed to assure their validity in the literature survey portion of this paper.

3.9. Research Ethics
Under research ethics all the information was treated and kept secretly with high confidentiality without disclosure of the respondents 'identity. The information obtained from respondents were presented as collected without changing the gathered information or no modification and the same with the literatures collected for the purpose of this study. Ghauri and Gronhaug, (2005,) state that there is a growing emphasis on overcoming the ethical issues in business research because of the increased involvement of social responsibility and consumer's wellbeing.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

In this section, analytical discussion of the study is carried out in detail that the researcher tried to connect and indicates the inter-relations between the theoretical framework planned and the empirical findings based on the information gathered through questionnaires from respondents.

4.1 Validity and Reliability Test

4.1.1 Validity

The validity of the instruments in this research was checked by advisor in order to measures what it assumed to measure before questionnaire was distributed to the respondents. Consequently, based on the approval achieved from the advisor, the questionnaire was used since, they are valid.

4.1.2 Reliability Test

Reliability is the extent to which a questionnaire, test, observation or any measurement procedure produces the same results on repeated trials (Cook & Beckman, 2006). The reliability of the study was examined through the calculation of Cronbach's alpha coefficients which falls between 0 and 1. For measure acceptability, Anderson et al. (2006) stated that Cronbach's alpha coefficient of construct is 0.6.

The Cronbach's alpha values are reported as follow. Service quality dimension yield Cronbach's alpha = .918, product quality yield Cronbach's alpha = .762, the Cronbach's alpha for price was at .692, and Cronbach's alpha for customer satisfaction was at .807. Based on the above value, the Cronbach's alpha values for all the variables considered are greater than 0.6 this show the items in each of the fields are well understood by the respondents.

4.2 Response Rate

In order to collect information on service quality and customer satisfaction 385 questionnaires were distributed to the respondents and the response rate was shown in the table below.

Table 4.1 Response rate

Item	Response rate	
	No	Percent (%)
Sample size	385	100
Collected samples	340	88.31
Uncollected samples	45	11.69

Based on the above table, out of 385 distributed questionnaire 340 (88.31%) were collected while 45 (11.69%) of the questionnaire remained uncollected. So, analysis was made based on the responses obtained from 340 questionnaires.

4.3 Demographic Characteristics of Respondents

Descriptive statistics (frequency statistics) is used to discuss the demographic characteristics of respondents. Sex, Age, occupation and frequency of respondents visiting with Et-fruit were discussed.

4.3.1 Gender Distribution of the Respondents

The table 4.2 shows the gender distribution of the respondents who participated in the study.

Table 4.2 Gender Distribution of the Respondents

		Frequency	Percent
	Male	183	53.8
Valid	Female	157	46.2
	Total	340	100.0

Source: Survey Result (2021)

From the data presented in table 4.2, from the total 340 customers participated in the study, the highest percentage about 183 customers (53.8%) of the customers respondents were males and the remaining 157 customers 46.2% of the respondents were females. The percentage of male customers participated in the study is higher than that of female respondents. This show that male customers are use the service offered by Et-fruit service centers than female customers.

4.3.2 Age Distribution of the Respondents

The below table shows the age distribution of the respondents who participated in the study

Table 4.3 Age Distribution of the Respondents

		Frequency	Percent
Valid	18-25	40	11.8
	26-33	114	33.5
	34-41	90	26.5
	42-49	56	16.5
	above 50	40	11.8
	Total	340	100.0

Source: Survey Result (2021)

From the data presented in table 4.3 above, the majority (33.5%) of the respondents were under age group of 26-33 years old; 26.5% of the respondents were under age group of 34-41 years and the remaining 16.5% were 42-49 years and lowest percentage is 11.8% recorded by age group from 18-25 and above 50 years old respectively. Therefore, the number of respondents was highest at the age of 26 to 33.

4.3.3 Current Occupation of the respondents

The below figure shows Current Occupation of the respondents who participated in the study

As indicated in below figure 4.1, the majorities (44.7%) of the respondents were public employed; 26.2% of the respondents were self-employed and the remaining 22.4% and 6.8% are private and un-employed respondents respectively. Therefore, the public employments were used the service offered by Et-fruit than self-employed, private employed and un-employed.
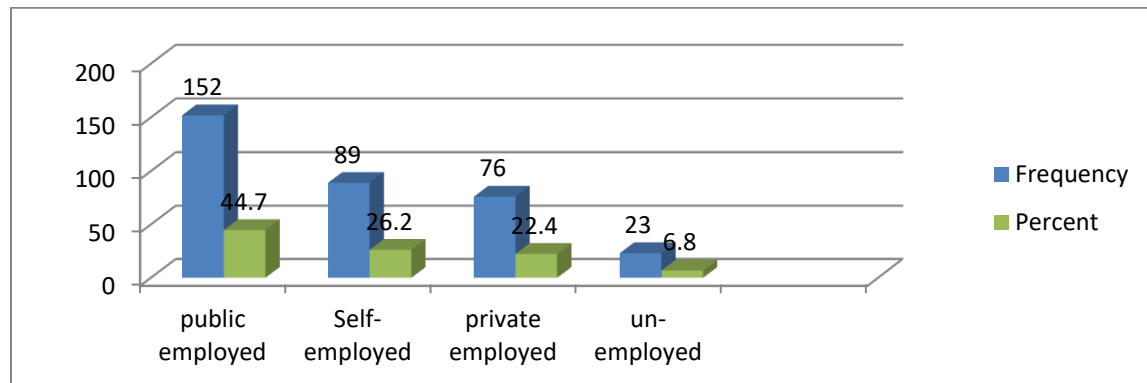
Figure 4.1 Current Occupation of the respondents

4.3.4 Education Background of the Respondents

The below table shows Education background of the respondents who participated in the study

Table 4.4 Educational background of the Respondents

		Frequency	Percent
	secondary school and below	82	24.1
	Diploma	115	33.8
Valid	Degree	126	37.1
	Masters and above	17	5.0
	Total	340	100.0

Source: Survey Result (2021)

Concerning to educational level of the respondents, the above table indicate that, about (37.1%) of the respondents were degree holders, 33.8% of the respondents were diploma holders, 24.1% were secondary school and below and 5% of the respondents were masters and above. This show that the degree holder's respondents were used the service delivered by Et-fruit than diploma, secondary school and below and master holder respondents.

4.3.5 Frequency of respondents visiting Et-fruit

The below figure 4.2 shows the frequency of the respondents that visit Et-fruit for service
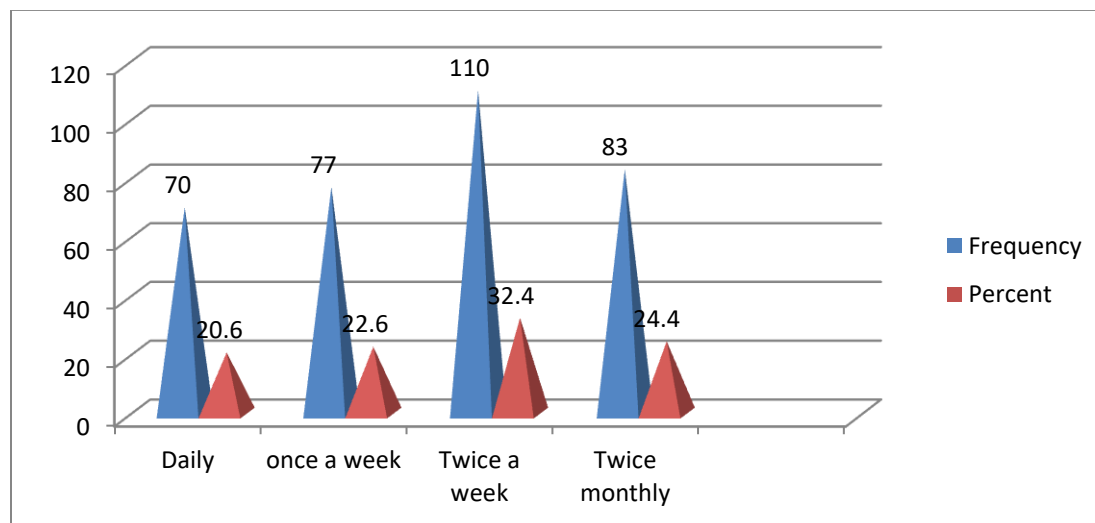
Figure 4.2 Frequency of respondents visiting Et-fruit

Source: Survey Result (2021)

From the figure above, about (32.4%) of the respondents have been visiting et-fruit twice a week, 24.4% of the respondents have been visiting twice a month, 22.6% of the respondents have been visiting once a week and 20.6% of the respondents have been visiting Et-fruit daily. Therefore, the frequencies respondents who visited Twice a week Et-fruit service center was higher than the frequency of respondents who visited Et-fruit service center daily, once a week and Twice a month.

4.4. Assessing the Level of Customer Satisfaction

4.4.1 Relation between gender of respondents and customer satisfaction

The gender of respondents were evaluated in contradiction of customer satisfaction level using cross tab of the descriptive analysis to show the evaluation of customer satisfaction among the two gender.

Table 4.5 Cross Tabulation between gender of respondents and customer satisfaction

Gender	Customers satisfaction					Total	Satisfaction %
	Strongly Dissatisfied	Dissatisfied	Neutral	Satisfied	Strongly satisfied		
Male	26	65	37	30	25	183	30.05
Female	29	43	31	43	11	157	34.39

Source: Survey Result (2021)

As shown in above Table, Female respondents are more satisfied than Male respondents. Which means from the total of 157 Female respondents who participated in this study 54(34.39%) of them are satisfied and the remaining 65.61% of Female respondents were dissatisfied. From above table the total Male respondents 55 (30.05%) of them are satisfied whereas 69.95% of them dissatisfied. Therefore, this shows that relatively Female respondents are satisfied with the service delivered by Et- fruit.

4.4.2 Relationship between frequency of visit to service center and level of customer satisfaction.

The frequency of visiting Et-fruit service center was analyzed in contradiction of customer satisfaction level by using the cross tabulation of the descriptive analysis. In below table 4.6 indicate the result of the analysis.

Table 4.6 Cross Tabulation between frequency of visiting respondents and customer satisfaction

Frequency of visiting	Customer satisfaction					Total	Satisfaction %
	Strongly Dissatisfied	Dissatisfied	Neutral	Satisfied	Strongly satisfied		
Daily	12	25	8	17	8	70	35.70
once a week	8	16	19	25	9	77	43.14
Twice a week	20	41	21	15	13	110	25.44
Twice monthly	15	26	20	16	6	83	26.50
Total	**55**	**108**	**68**	**73**	**36**	**340**	**100**

Source: Survey Result (2021)

As shown in Table 4.6 presents that there is satisfaction differences within customers as we understand the situation from their visiting frequency with Et-fruit service center. From the total of customers who visited the Et-fruit service center once per week about 43.14% of them were satisfied and the left with 56.86% were dissatisfied. The customers who have visited Et-fruit daily 35.70% and the remaining 64.30% were dissatisfied whereas customers who have visited Et-fruit twice a month and twice a week were 26.50% and 25.44% were satisfied respectively. Therefore, this indicates that customers who have visiting Et-fruit twice a month and twice a week are the least satisfied than those who have visiting service center daily and once a week.

4.4.3 Customers' satisfaction level at Et-fruit service center

To conclude the level of customers satisfaction with Et-fruit service centers, respondents were asked to rate their level of satisfaction using a 5 measure scale (1 means highly satisfied, 2 means Dissatisfied, 3 means neither satisfied nor dissatisfied ,4 means satisfied and 5 means highly satisfied).

Table 4.7 customers' satisfaction at Et-fruit service center

S. No	Customer satisfaction	Strongly Dissatisfied	Dissatisfied	Neutral	Satisfied	Strongly satisfied
1	I got the full service I expected from Et-Fruit.	38(11.2)	130(38.2)	82(24.1)	74(21.8)	16(4.6)
2	The commitment of ET-fruit to serve its customers and by time performance is meet your expectations.	48(14.1)	121(35.6)	84(24.7)	74(21.8)	13(3.8)
3	How are you satisfied with the service provided by Et-Fruit?	35(16.2)	108(31.8)	68(20.0)	73(21.5)	36(10.6)
	Average overall customers' satisfaction	**41(14)**	**120(35)**	**78(23)**	**74(21.7)**	**22(6.3)**

Source: Survey Result (2021)

Table 4.7 above shows that 14%(n=41)of respondents reported that they were strongly dissatisfied with the service provided at Et-fruit service centers , while 35%(n=120) were dissatisfied and 23%(n=78) of them were neither satisfied nor dissatisfied. The rest 21.7 %(n=74) and 6.3 %(n=22) leveled as satisfied and strongly satisfied respectively. As a result, it indicates that the percentage of customers who are dissatisfied with the service is more than those who are satisfied with the service.

4.5 Customers perception towards service quality dimension

Respondents' satisfaction level towards Et-fruit service center on service quality dimension was measured using the 21 items separated under the five service quality dimensions of SERVQUAL model. The analysis result is shown below as customer's perception towards each service quality dimensions was discussed with its effects. Therefore, regarding to each of the five service quality dimension the highest and lowest mean scored will be identified and interpreted.

Table 4.8 Customers perception towards service quality dimension

Dimension	Items	N	Mean	Std.d/n
Tangibility	T1:The Et-fruit products storage warehouse and shopping center is modern looking	340	2.50	1.055
	T2: Et-fruit's vegetable and fruit products are visually attractive.	340	2.88	1.189
	T3: Service providers Employees have a neat, disciplined and competent.	340	3.22	1.223
	T4: Et-fruit physical facilities like plastic create, sells shop and other equipment's are visually appealing and satisfactory	340	2.78	1.202
Reliability	R1: The Et-fruit provides its services at the time it promises to do so.	340	3.04	1.179
	R2: Et-fruit offer fruit and vegetable products with appropriate price at the promised time.	340	2.91	1.211
	R3: Et-fruit has a convenient operating hours to all its customers.	340	3.32	1.167
	R4: When customers have a problem, Et-fruit employees shows sincere interest in solving it.	340	2.94	1.110
	R5: As soon as you have complained, in terms of products quality, time and price honestly concerned in resolving it.	340	2.74	1.166
Responsive ness	RP1: Employees engaged in Et-fruit service center tell you exactly when the service will be performed.	340	3.46	1.180
	RP2: Et-fruit employees at service centers are always happy and willing to help you.	340	3.49	1.130
	RP3: Service provider's employees are never too busy to respond to their customer at service center.	340	3.27	1.208
	RP4: Employees engaged in the Et-fruit service center give customers a prompt service.	340	3.44	1.248
Assurance	A1: The behavior of Et-fruit's employees at the service center instills confidence in customers.	340	3.19	1.147
	A2: Et-fruit employees make customers feel safe in during your transaction	340	3.26	1.218
	A3: Employees in Et-fruit sells center are Consistently well-mannered	340	3.48	1.104
	A4: Employees of Et-fruit at service center have the knowledge to answer customers questions	340	3.18	1.201
Empathy	E1: Et-fruit service providing center has a convenient operating hours to its customer.	340	3.25	1.150
	E2: Et-fruit employees at service center give care for their customers need	340	3.22	1.299
	E3: The employees understand customers specific needs	340	3.12	1.118
	E4: The Et-fruit service center is easily accessible at everywhere.	340	3.21	1.222

Source: Survey Result (2021)

As indicated in the above table that, highest mean score in tangibility items was T3 which is 3.22. This demonstrates that Et-fruit service center employees are neat, disciplined and competent. The lowest mean is scored under tangibility was T1 (2.50) and T4 (2.78). This indicated that Et-fruit's warehouse and shopping center are no modern looking and physical facilities and equipment's are no visually appealing.

Customer perception regarding to reliability, the highest mean score in reliability items was R3 which is 3.32. This means Customers agreed that Et-fruit service center has convenient operating hours and provide service as promised. The lowest mean is scored under reliability was R5 (2.78). This means they do not resolve the service quality concerned to products and price.

Customer perception in terms of responsiveness, the highest mean score in responsiveness items was RP2 which is 3.49. This indicates that from listed items of responsiveness dimension customers give their outstanding that Et-fruit service center Employees willing to help them. The lowest mean is scored under responsiveness was RP3 (3.27). This shows that, customers perceived employees engaged in the service centers of Et-fruit are too busy to respond to their customers at service center.

Regarding to assurance dimension, the highest mean score in assurance items was A3 which is 3.48. This demonstrates that the customers agree that employees in the Et-fruit service center are well mannered. The lowest mean is scored under assurance was A4 (3.18). This shows that the employees at Et-fruit service center have less Knowledgeable to answer customers' questions.

In terms of empathy dimension, the highest mean score in empathy items was E3 which is 3.25. So, from listed items of the empathy dimension customers agreed with the operating hours of Et-fruit service center is convenience. Et-fruit service delivery center opened at 12:00 local time in the morning and closed daily operations at 10:30 in the afternoon from Monday to Friday on warehouse and service delivery shop opened at 3:00 morning and closed daily operations at12:00 in the afternoon from Monday to Saturday. This show that, for respondents the operating hours is convenient for customers' contact. The lowest mean is scored under empathy was E3 (3.12). Therefore, it shows that Et-fruit service center or employees doesn't understand their customers' specific needs.

Table 4.9 Mean score for service quality dimensions.

Service Quality dimensions	N	Mean	Std. Deviation
Tangibility	340	2.84	1.167
Reliability	340	2.97	1.166
Responsiveness	340	3.41	1.191
Assurance	340	3.27	1.167
Empathy	340	3.20	1.197
Valid N	340		

Source: Survey Result (2021)

As presented in the above table, relied on customers' perception the Responsiveness dimension of service quality is resulted superior to the other four dimensions with highest mean score of 3.41. This can be explained as customers perceived that they get the exact time when the service will be performed, Et-fruit employees' at service center willingly help them and respond their question properly and provide prompt service to their customers. Based on customer's opinion the second highly scored service quality dimension is Assurance with a mean score of 3.27 which means the Et-fruit employees instill confidence in customer, the customers feel safe during transaction with the service centers, and are confident about the manners of Et-fruit employees. It shows that Et-fruit employees at service center are performing better in having knowledgeable and courteous.

The third highly rated service quality dimension by customers is Empathy with mean score 3.20. The fourth rated service quality dimension by customers is reliability with mean score 2.97. Based on the above description from the five services quality dimensions the least performed service quality dimension is Tangibility with a mean score of 2.84. Accordingly the reply of the customers Et-fruit service center do not have modern looking warehouse and shopping center, visually attractive products, ethical, well dressed and competent employees.

4.6 Relationship between service quality dimensions and customer satisfaction

4.6.1. Correlation analysis

Correlation analysis is a statistical measure that study the relationships between variables fluctuate together and strength of relation between the variables. A positive correlation indicates the extent to which those variables increase or decrease in parallel; a negative correlation

indicates the extent to which one variable increases as the other decreases (Mohamed Ahmed 2015). Correlation coefficients take values between -1 and 1 ranging from being negatively correlated (-1) to uncorrelated (0) to positively correlated (+). This value indicates the strength of the correlation between the variables. Under correlation coefficient 0 to 0.19 result indicates very weak correlation, a result between 0.2 to 0.39 indicates a weak correlation among variables, a result which is between 0.4 and 0.59 shows a moderate correlation, a result between 0.6 and 0.79 indicates a strong correlation among variables while a result between 0.80 to 1 indicates very strong correlation Evans (1996). Based on the above concept to assess the association between five service quality dimensions and overall customer satisfaction is conducted.

4.6.2 Pearson correlation analysis between service quality dimension and customer satisfaction

Pearson's correlation examines the strength and relationship between two variable; values will be either positive or negative and vary between 0 and 1. (Bryman and Bell, 2015) state that, the closer to 1 the stronger the relationship; the closer to 0 the weaker the relationship. To conclude the relationship between service quality dimensions and customer satisfaction, Pearson correlation was computed.

Table 4.10 Correlations between Service Quality dimensions and Customer satisfaction

		Tangibility	Reliability	Responsive ness	Assurance	Empathy	Customer satisfaction
Tangibility	Pearson Correlation	1					
Reliability	Pearson Correlation	.712**	1				
Responsive ness	Pearson Correlation	.511**	.665**	1			
Assurance	Pearson Correlation	.654**	.785**	.735**	1		
Empathy	Pearson Correlation	.659**	.770**	.634**	.820**	1	
Customer satisfaction	Pearson Correlation	**.630****	**.695****	**.493****	**.696****	**.689****	1

**. Correlation is significant at the 0.01 level (2-tailed).
Source: Survey Result (2021)

As indicated in (table 4.10), there is a significant positive relationship between the five dimensions of service quality and customer satisfaction, comparatively the strong correlation is between Assurance and customer satisfaction (0.696) followed by Reliability (0.695), Empathy

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(0.689), Tangibility (0.630) and the responsiveness is comparatively moderate correlation with customer satisfaction (0.493). If correlation is positive between two or more variables that is, when service quality dimensions and customer satisfaction is positively related; delivering better service quality ensures higher customer satisfaction (Abdisa 2019). Therefore, the most significant service quality dimension that affects customer satisfaction is assurance and reliability which means that assurance and reliability perceived as a dominant service quality followed by Empathy; this show that proper and reliable service delivery has significant influence on customer satisfaction in business area. Even though, responsiveness has a moderate correlated with customer satisfaction improving these dimensions has also influence on customer satisfaction.

To proof the result of this study with evidence, the researcher tried to see the previously conducted research thesis and journals. So, the following conducted study result was found:

The studies of Anantha and Huam (2014), Mohamud Ali (2018), Abdisa (2019), Almomani (2018) and Tibebe (2012) suggest service quality dimensions have positive relationship between customer satisfactions. To attain a high level of customer satisfaction, most researchers suggest that a high level of service quality should be delivered by the service provider as service quality is normally considered precursor of customer satisfaction. Therefore, the researcher concluded that, the result of the current correlation was reliable with the results of previous studies conducted by the above-mentioned researchers.

4.5.3 Spearman Correlation analysis between product quality, price and customer satisfaction.

Table 4.11 Correlation analysis between product quality, price and customer satisfaction

			Product quality	Price	Customer satisfaction
Spearman's rho	Product quality	Correlation Coefficient	1		
		Sig. (2-tailed)	.		
	Price	Correlation Coefficient	.523**	1	
		Sig. (2-tailed)	.000	.000	
	Customer satisfaction	Correlation Coefficient	.661**	.648**	1

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

As indicted in the above table 4.11, there is a significant correlation between customer Satisfaction and product quality and it is significant (r = .661, P =.000). Therefore, the result shows that there is a positive and strong correlation between product quality and customer satisfaction. In order to increase the level of customers' satisfaction, Et-fruit Company should be improve the quality of its products to be delivered to their customers at all service center including shopping centers. (Razak et.al, 2016) state that, there is a high correlation in between the product quality and price with the value of the customer, if the increased product quality and price is competing, it will create an increase in customer value. From the above table 4.12, there is a significant correlation between customer Satisfaction and price and it is significant (r = .648, P =.000). Therefore, the result shows that there is positive and a strong correlation between price and customer satisfaction. To increase the level of customers' satisfaction, Et-fruit Company should be make proper market research and provide the customers' service with appropriate price. Products quality and price have positive influence on customer satisfaction.

To proof the result of this study, the researcher tried to see the previously conducted journals. So, the following result was found:

The studies of Juwita (2019), Razak et.al, 2016, Olise and Ojiaku (2018) and propose that product quality and price have positive influence on customer satisfaction. The product quality and price are capable to influenced customer satisfaction significantly and positively. The results proved that customer assessment is a successful facilitator for product quality and price in order to improve customer satisfaction means that customer assessment is important to satisfy the price when buyers feel that there is a match on product quality and price. Therefore, the findings of this study show that the product quality is the most important to increase the customer satisfaction.

4.7 Assumptions for Regression Analysis

4.7.1 Multi-collinearity

Multi-Collinearity denotes that in a multiple regression model two and above predictors that are correlated with other predicted variables is analyzed against independent variable in order to understand their statistical implication of various values. However, the examination of this kind could have multi-collinearity phenomenon in which two or more predictor variables are highly correlated with each other variable can be linearly predicted from the others with a significant degree of accurateness.

In multi-collinearity, Tolerance demonstrates that how much of the variability of the specified independent is not explained by the other independent variables in the model and is calculated using the formula 1–R squared for every variable. If the value of tolerance is less than .10 it indicates that the multiple correlation with other variables is high, suggesting the possibility of Multi-collinearity. The other value given is the VIF (Variance inflation factor), which is just the inverse of the Tolerance value (1/1–R).

Multi-collinearity can be detected with the tolerance values and variance inflation factor (VIF). VIF values above 10 would be a concern here, indicating multi-collinearity. As table 4.12 below shows the tolerance values of all independent variables are above 0.1 and the VIF values are below 10 which indicate there is no Multi-collinearity problem.

Table 4.12.Multicollinearity for overall service quality

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-.131	.230		-.572	.568		
	Tangibility	.345	.068	.195	5.084	.000	.457	2.187
	Reliability	.315	.065	.237	4.838	.000	.281	3.563
	Responsiveness	.087	.070	.048	1.233	.218	.439	2.277
	Assurance	.407	.087	.255	4.661	.000	.225	4.440
	Empathy	.394	.077	.253	5.136	.000	.279	3.580

 a. Dependent Variable: overall service quality
Source: Survey Result (2021)

Table 4.13.Multicollinearity for Customer satisfaction

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.212	.153		1.381	.168		
	Tangibility	.155	.045	.180	3.425	.001	.457	2.187
	Reliability	.165	.043	.254	3.792	.000	.281	3.563
	Responsiveness	-.101	.047	-.115	-2.146	.033	.439	2.277
	Assurance	.231	.058	.296	3.967	.000	.225	4.440
	Empathy	.156	.051	.205	3.053	.002	.279	3.580

a. Dependent Variable: Customer satisfaction

Based on above table 4.13 multiple regression analysis of service quality dimensions on customer satisfaction shown the test of multi-collinearity identified by Tolerance and Variance inflation VIF) factor result. The values of tolerance for all independent variables (Tangibility, reliability, responsiveness, assurance and empathy) are above 0.1 which indicate that it is free from multi-collinearity problem between dependent variable and the values of VIF for these Variables are below 10 which indicate that there is no multi collinearity problem between variables.

4.7.2 Normality test

Normality of P-P plot is used to judge where the distribution of the variables is reliable with exact distribution. The following figure 4.3 shows the normal P-P plot of the distribution of the residual.
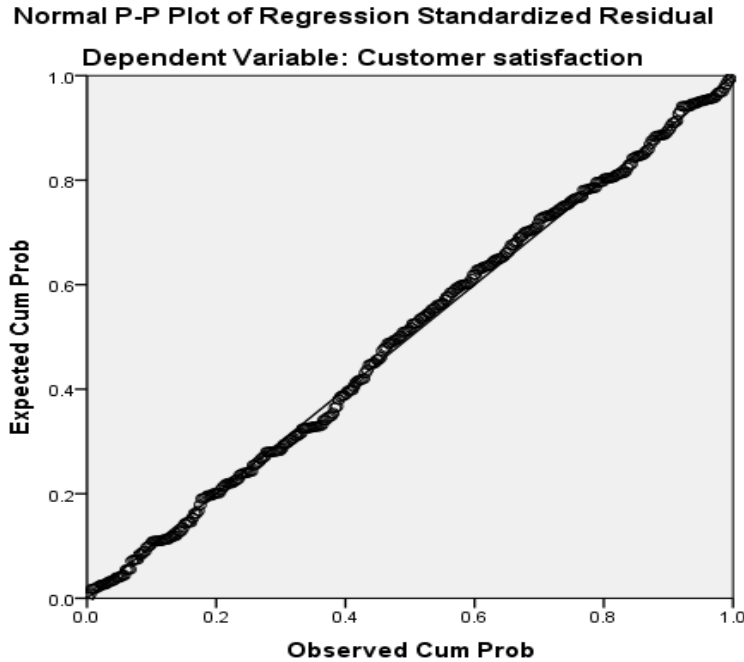
Figure 4.3 Normal P-P plot of customer satisfaction

In the above graph, the P-P plot shows the normality test of P-P plot that compares the observed Cumulative probability of the standardized residual. The P-P plot shows that the scatters of the residuals basically fall on or tightly close to the normal distribution line. Therefore, the P-P plot above indicates that it is a normal distribution because the resulting image is close to a straight line.

4.8. Hypotheses Testing

The important hypothesis for this study is that service quality dimensions have a significant influence on customers' satisfaction. So, Pearson's correlation and regression test was applied between customers' satisfaction (dependent variable) and SERVQUAL dimensions (independent variable) Tangibility, Reliability, Responsiveness, Assurance, Empathy, product quality, price and customer satisfaction quality to find the relationship between variables.

4.8.1 Service quality dimension

The five dimensions of service quality (tangibility, reliability, responsiveness, assurance and Empathy) were tested against customer satisfaction. A multiple linear regression analysis was done to determine their significance on customer satisfaction.

Five hypotheses were tested to conclude their significance to customer service.

H1 Tangibility has a positive influence on customer satisfaction

H2 Reliability has a positive influence on customer satisfaction.

H3 Responsiveness has a positive influence on customer satisfaction.

H4. Assurance has a positive influence on customer satisfaction.

H5 Empathy has a positive influence on customer satisfaction.

In table 4.14 below, show findings of the multiple regression analysis representing the influence of the service quality dimensions on customer satisfaction.

Table 4.14 multiple regression analysis service quality dimensions on customer satisfaction.

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.762[a]	.580	.574	.77910	.580	92.373	5	334	.000
a. Predictors: (Constant), Empathy, Responsiveness, Tangibility, Reliability, Assurance									

ANOVA[b]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	280.352	5	56.070	92.373	.000[b]
	Residual	202.737	334	.607		
	Total	483.088	339			
a. Dependent Variable: Customer satisfaction						
b. Predictors: (Constant), Empathy, Responsiveness, Tangibility, Reliability, Assurance						

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.212	.153		1.381	.168		
	Tangibility	.155	.045	.180	3.425	.001	.457	2.187
	Reliability	.165	.043	.254	3.792	.000	.281	3.563
	Responsiveness	-.101	.047	-.115	-2.146	.033	.439	2.277
	Assurance	.231	.058	.296	3.967	.000	.225	4.440
	Empathy	.156	.051	.205	3.053	.002	.279	3.580

a. Dependent Variable: Customer satisfaction

In the **model summery** table above the value of R squared, in collective the dependent variable (customer satisfaction) is described by all independent variables (Tangibility, reliability, responsiveness, assurance and empathy) by 58 percent which shows the evaluation of the model. This R square is not over estimated while evaluating the model's fitness as its variation from adjusted R square is very near which is 57.4%. According to this finding the R square is not over estimated while evaluating the model's fitness for adjusted R square (57.4%) is not big.

As illustrated in the **ANOVA table 4.14**, the significance value of F statistics is 0.000 which is less than 0.05 demonstrate that there is relatively significant relationship between the independent variables (tangibility, reliability, responsiveness, assurance and empathy and dependent (customer satisfaction).

In determining each of an independent variables (Tangibility, reliability, responsiveness, assurance and empathy) influence on dependent variable (customer satisfaction), the table shows assurance, reliability, empathy and tangibility have significant influence on customer satisfaction of Et-fruit service center. The degrees of the influence Beta coefficient values are positive for assurance, reliability, empathy and tangibility. But the value of Beta coefficient for responsiveness dimension is negative and has less influence on customer satisfaction compared to others dimension. Assurance has the higher influence on customer satisfaction with value of β = 0.296 on customer satisfaction followed by reliability, (β= 0.254) Empathy (β=0.205) and tangibility (0.180).

The findings above table 4.14 (**Coefficients[a]**) indicate that all service quality dimensions have a significant influence on customers' satisfaction at 95% confidence level. The findings show that the standardized coefficients relating to the four services quality dimensions including assurance, empathy, reliability and tangibles to customer satisfaction have the estimated positive sign and statistically significant. On other hand, standardized coefficients of responsiveness dimension is negative sign, even so it has influence on customer satisfaction at $P<0.05$. From the above findings four service quality dimension have significant influence on customer satisfaction at $P < 0.01$ expect responsiveness dimension which is significant at $P < 0.05$. Based on the above results the five hypotheses (H1, H2, H3, H4 and H5) are therefore supported at a 95% confidence interval. Therefore, as shown in the above result assurance was the most important service quality dimension among Et-fruit's customer in Addis Ababa with a significantly high beta

coefficient of 0.296. Assurance was followed by reliability with a significant coefficient of 0.254. Among the service quality dimensions responsiveness was the least significant with beta coefficient of -0.115. This finding is similar to the study of (Ooi et al., 2006) it can be concluded that multiple regression model of this study met the assumptions required to ensure validity of its significance test. This indicates that there was a statistically significant link between service quality dimensions and customer satisfaction.

Table 4.15 Regression analysis between product quality, price and customer satisfaction

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.110	.141		.778	.137		
	Product quality	.494	.048	.447	10.324	.000	.750	1.334
	Price	.470	.052	.390	8.999	.000	.750	1.334

a. Dependent Variable: Customer satisfaction

From the above regression table 4.15 shows that, product quality has a significant influence on customers' satisfaction at 95% confidence level. Therefore, the results above $P < 0.01$ demonstrating that there is a significant influence and significant relationship between product quality and customer satisfaction. The result of this study is also related to the research of Jahanshahi et al. (2011), Senthilkumar (2012) and (Razak et.al, 2016) which proved that the quality of the product can improve customer satisfaction. The result shows that product quality (0.447) has positive influence on the customer satisfaction

Regarding to price table 4.15 shows that, price has a significant influence on customers' satisfaction at 95% confidence level. Therefore, the results show that $P < 0.01$ proving that there is a significant influence and strongly significant relationship between price and customer satisfaction. The positive and significant Beta coefficient (0.390) for price and customer satisfaction suggests the lower price could make customer satisfaction.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

This chapter is the final chapter of the study which contains summary of the findings, conclusion, recommendations, limitations and future implication of the study.

5.1 Summary of Findings

The main objective of this study was to explore the influence of service quality on customer satisfaction with Ethiopian Trade Business Corporation; the case of Fruit and vegetables trade business unit (Et-fruit) service centers in Addis Ababa and to examine the influence of service quality dimensions on customer satisfaction. Effective hypothesis were also developed to investigate how service quality dimensions can influence on the level of customer satisfaction.

To encounter this objective, quantitative research strategy was adopted and Convenience sampling method with random sampling methods was used to collect data from Fruit and Vegetable Trade Business Unit (Et-fruit) customers. Data was collected by using questionnaire from the sampled customers.

Descriptive statistics like frequency mean and percent were applied to analyze background information of respondents, respondents' perception on service quality and satisfaction; correlation analysis techniques were applied to examine the relationship between service quality dimensions, product quality, price and customers' satisfaction. In addition, inferential technique like regression analysis technique was applied to explore influences of service quality dimensions on customers' satisfaction and also to test the research hypothesis.

To determine the service quality performance and customers' perception in Et-fruit service centers, the five dimensions were used.

Tangibility

 ➢ Tangibles include the appearance of the company representatives, facilities, materials, and equipment. The outcomes presents that it has a significant influence on customers satisfaction. It imply that storage warehouse and shopping centers should be modern, fruit and vegetable products should be attractive and physical facilities like plastic create, sells shop should be clean and attractive. Concerning this limitation have been observed with regard to the lack of modernity of warehouse and shopping center and lack of physical

facilities like plastic create cleans and un attractive sells shop could influence customer satisfaction.

Reliability

➢ Reliability has a capability of service providing company and its employees to perform the promised services accurately and dependably. The result shows that it has a significant influence on customers' satisfaction. This indicates that, the complaint from customer in terms of products quality and price should be honestly resolved; Et-fruit should be offer a quality of fruit and vegetable products to its customers with proper price at promised time and also the Et-fruit employees should be interested in solving the problem of their customers at service centers. Regarding to this limitation have been observed with concerning to the lack of resolving complain from customer in terms of offered products quality and price, lack of employees in solving the problem of their customers at service centers.

Responsiveness

➢ Responsiveness shows the willingness of employees to help the customers and they should have a time to respond to customers request, questions, complaints, and problems. The result shows that responsiveness has a moderate significant influence on customers' satisfaction Compaired to the other four service quality. Supplementary it revealed that front line employees engaged in customer service were tell their customers the exact time when the service will be performed, happy and willingness to help customers and give a prompt service to customer. Under this dimension as limitation the there is a lack of responding the customer request. So, fruit and vegetable employees should be free to respond the request of their customer at service center.

Assurance

➢ Assurance involves the tolerances and courtesy of employees, their capabilities to be confidence and trust on customers while performing the service. Wilson et al., (2008:55) states that "because customers compare their perceptions of performance with reference points when evaluating service quality, thorough knowledge about customer expectations is critical to services marketers". Further the result showed that front line employees engaged in customer service are ethical, well-mannered and customers feel safe during

transaction. However, shortage and low quality of fruit and vegetables improper price of service at Et-fruit service center compared to other competent company would make employees to be less sensitive to customers' requests. The employees of the company engaged in customer service have not yet been knowledgeable through training and capacity building programs like customer service, customers complain handling system and product handling system. Furthermore, the stated situation made them not to be courteous and could not instill confidence in their customers at service centers.

Empathy

> Empathy shows that the ability of Et-fruit service centers its employees in delivering and personal courtesy to customers and understands customers' specific needs. Empathy has identified in giving care for their customers, convenience working hour, understand the specific needs of customers and accessibility of service at everywhere. The result showed that Et-fruit has a convenient operating hour and front line employees engaged in customer service give care for their customer. But there is a limitation of employees in understanding their customers' specific needs. This could be due to the company low performance on providing proper service to the service centers like less quality of products and higher price of service Compaired to other PLC competent. So far, Et-fruit Company has to improve empathy skills since customers' interaction is still very important to overcome the problem.

Correlation coefficient statistics demonstrate that assurance, reliability, Empathy and tangibility service quality dimensions have strong and significant relationship with customer satisfaction with correlation coefficient value of 0.696, 0.695, 0.689 and 0.630 respectively; but, responsiveness has moderate and least correlation to customer satisfaction with coefficient value of 0.493. Product quality and price have strong and significant relationship with customer satisfaction with correlation coefficient value 0.661 and 0.648 respectively.

In general, all independent variables (assurance, reliability, Empathy, tangibility and responsiveness), product quality and price have significant relationship and influence with dependent variables (customer satisfaction) even though their strength is different.

In the assumption of regression analysis multicollinearity regression, normality test were met the assumption of multiple linear regression analysis.

ANOVA result indicates a significant result.

Regression analysis was conducted to examine the influence of each independent variable on dependent variable. The four dimension; assurance, reliability, empathy and tangibility have positive and significance influence on customer satisfaction. Responsiveness has negative beta coefficient even though it has significant influence on customer at $p<0.05$

From the regression result the coefficient Assurance has the highest standardized coefficient with Beta 0.296 which has significant level 0.000, $P < 0.05$ influence on customer satisfaction and lowest and negative standardized coefficient is obtained in responsiveness with Beta -0.115 and significant level is 0.033, $P < 0.05$ so it has influence on customer satisfaction

Lastly, the research hypotheses of this research has been tested and confirmed that all service quality dimension, product quality and price have significant influence on customer satisfaction.

5.2 Conclusion

The key purpose of the study was to evaluate service quality and customer satisfaction and also to test the influence of different service quality dimensions and customers perception on customer satisfaction in Fruit and Vegetable Trade Business Unit (Et-fruit), to identify the relationship between service quality dimension, product quality, price and customer satisfaction and the most important dimensions of services show significant influence on customer satisfaction. Accordingly, five service quality dimensions (tangibility, reliability, responsiveness, assurance and empathy) were hypothesized to investigate customer satisfaction.

From the results of the study, the following conclusion was obtained while answering research questions:

❖ The level of customer satisfaction was determined by service quality offered by Et-fruit.

❖ Even if the degree of relation varies between service quality dimension there is significant positive relationship between all five dimensions and customer satisfaction.

❖ The strongest correlation is obtained between Assurance, reliability, empathy, tangibility and customer satisfaction. Moderate correlation obtained between Responsiveness and customer satisfaction.

❖ Regarding to the product quality and price there is a significant correlation between product quality, price and customer Satisfaction.

❖ Regarding to regression analysis, four service quality dimensions Assurance, Reliability, Empathy and Tangibility have positive and significant influence on customer satisfaction.

Whereas responsiveness dimension has negative beta coefficient but has significant influence at $P < 0.05$.

❖ Regression analyses of Product quality and price also have positive and significant influence on customer satisfaction.

❖ The following hypotheses to test the stated assumption have been supported.

➢ H1: Tangibility has a positive influence on customer satisfaction

➢ H2: Reliability has a positive influence on customer satisfaction

➢ H3: Responsiveness has a positive influence on customer satisfaction

➢ H4: Assurance has a positive influence on customer satisfaction

➢ H5: Empathy has a positive influence on customer satisfaction

5.3 Recommendations

As presented in the findings of the study four dimensions of service quality (assurance, reliability, empathy and tangibility) have significant and positive influence on customer satisfaction. Product quality and price have significant and positive influence on customer satisfaction. Thus working to improve these service quality dimensions will contribute to customer satisfaction. Therefore, based on the finding of the study the following recommendations are provided by the researcher to improve the service quality dimension, product quality, price and customer satisfaction at Fruit and Vegetable Trade Business Unit (Et-fruit).

From the five service quality dimension **tangibility's** perception mean score is low and to improve service quality aspects related with tangibility the recommendation are provided as follows.

◆ From items of **tangibility** Et-fruit service center has no modern looking storage warehouse and shopping and no appealing of physical facilities like plastic create, sells shop and other equipment's is the least scored one on the perception measurement. To improve this perception problem the company should build a better warehouse like cooling room in order to preserve fruit and vegetable and physical facilities like plastic create; sells shop and other equipment's should be kept clean because if it is not kept clean it has impacts on products which leads to spoilage of fruit and vegetable products

and customer dissatisfaction. Et-fruit should also have cooler fridge vehicles during loading and distribution of fruit and vegetables from farm to end users.

From the five service quality dimension **reliability'**s perception is the second low score and to improve service quality aspects related with reliability the recommendation are provided as follows.

◆ In order to improve service quality related to reliability dimension Et-fruit Company should be offer a quality of fruit and vegetable products to its customers with proper price at promised time to do so. This will enhance the level of customers' satisfaction.

To improve service quality aspects related with **responsiveness,** Et-fruit should take the following measures.

◆ Provide training for employments engaged in front line in order to improving the complaint handling skill of employees at the service centers. This will help to provide quick response to customers instead of swelling each and every complaint to other parts of the company by employees at the service center.

To improve service quality aspects related with **assurance,** Et-fruit should take the following measures.

◆ The employees of the company engaged in customer service have not yet been knowledgeable to answer the request of customer according to customers' perception. Therefore, Et-fruit should prepare on and off training and capacity building programs like customer service, customers complain handling system and product handling system in order to increase their communication skill, customer handling skill and technical skill. This will help the employees engaged in the service centers to answer the request of their customers.

◆ There is shortage and low quality of products delivered to customers at service center. So, company should supply the quality of product with proper price to employees engaged in service center in order to fulfill the needs of the customers. This will increase the level of customer satisfaction.

To improve service quality aspects related with **empathy**, Et-fruit should take the following measures.

◆ Et-fruit should Conducting continues periodical surveys on service quality and customer satisfaction in order to identify gaps related to delivery or distribution of service and keep footpath of customer satisfaction. In addition to the periodical survey, Et-fruit should collect customers' feedback regarding to the service provided at branches and shopping centers using different mechanisms like suggestion Boxes.

◆ Create awareness to employees who engaged in service center through training to provide customer focused services in service center.

To improve customer aspects related to **product quality**, Et-fruit should take the following measures

◆ From this finding functionally product is still a major problem in satisfying the customer's need. This is due to shortage of fruit and vegetable and low quality of product delivered to customer. Therefore, Et-fruit should purchase a quality of products, make awareness about product quality to their suppliers, make fast distribution of fresh fruit to service centers and have its own farm in order to overcome product problem and to increase the level of customers satisfaction.

◆ Building cooling room to preserve the fresh fruit and vegetables to increase shelf life of product. Et-fruit should have cooler fridge vehicles during loading and distribution of fruit and vegetables from farm to end users. This will reduce the product from spoilage and increase the survival of fruit and vegetables until it brought to end users.

To improve customer aspects related to **price**, Et-fruit should take the following measures:

◆ Customers perceive a certain price, in which the high-low price of a product can be, a significant influence on a customer intention to purchase the product. So, Et-fruit should be strictly making accurate market research before, setting the price of product and the price should be changeable and computable with their competent.

◆ According to finding show that, the price of the product in Et-fruit was higher than the price of other competitor company. Therefore, company should be follow the price of its competent and reduce the price of their service. This will help Et-fruit to be a competent over its competitors in the market.

5.4. Limitations and Direction for Future Research

The aim of this study was to discover how customers of ET-fruit service center perceive service quality and to measure the level of their satisfaction. Understanding how customers perceive service quality and being able to measure service quality can benefit to management and sales employees by providing reliable service that can be used to improve service quality. Results also show that customers' perceived service quality and satisfaction is low and this indicates that Et-fruit management and sales employees should work hard on all dimensions of service quality, product quality and price in order to bring higher perceived service quality and customer satisfaction.

The study was geographically limited to the service centers provided by the Et-fruit company in Addis Ababa. Also Further studies should be conducted in regional branches in this area to measure the level of customer satisfaction by considering service centers.

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APPENDIX

Appendix 1: questionnaire

ST. MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIE

INSTITUTE OF BUSINESS

My name is Techane Hunde. I am attending Master's program in business administration at St. Mary's University and I am conducting a study on Et-fruit customer's service. Currently I am collecting information related with the Influence of Service Quality on Customer Satisfaction. Therefore, as a customer of this Et-fruit, your participation in this study will be valuable and greatly appreciated.

The purpose of study is intended to evaluate Influence of Service Quality on Customer Satisfaction. The information to obtain from this study may be used by Et-fruit like business firms and researchers. Moreover, the main aim of this study is to write a thesis as a partial requirement for the fulfillment of Degree of Master's in business administration. Hence, you are kindly requested to fill this questionnaire to achieve the grand objective of the study. Your response will be kept highly confidential and used only for this research. Your kind cooperation will help me to find reliable data and will be used only for this study.

I thank you very much in advance for participating in this survey and providing your thoughtful Feedback. If you have any questions or comments please contact by the following address (Tel- 0913871381), Email- techanehunde@gmail.com.

Part one: Demographic information of respondents.

Please read each question carefully and tick in the box corresponding to the response that most accurately represents your view.

1**. Sex.** Male ☐ Female ☐

2**. Age group**

18-25 ☐ 26-33 ☐ 34-41 ☐ 42-49 ☐ above 50 ☐

3. What is your current occupation?

Public employee ☐ Self-employed ☐ Private employee ☐ Unemployed ☐

4. Education background

Secondary school and below ☐ Diploma ☐ Degree ☐ masters and above ☐

5. How frequently do you visit Et-fruit?

Daily ☐   Once a Week ☐   Twice a Week ☐   twice monthly ☐

Part II: Evaluation the level of satisfaction of services offered by the Et-fruit

The following question tries to evaluate the level of satisfaction of service offered by the Et-fruit. Please tick (√) the number that you feel most appropriate number using the scale below (from 1 to 5 alternatives).

 (1= Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5= Strongly Agree)

Service quality dimensions					
1.Tangibility	1	2	3	4	5
1.1 The Et-fruit products storage warehouse and shopping center is modern looking					
1.2 Et-fruit's vegetable and fruit products are visually attractive.					
1.3 Service providers Employees are ethical, well-dressed and competent.					
1.4 Et-fruit physical facilities like plastic create, sells shop and others equipment's are visually appealing and satisfactory.					
2. Reliability					
2.1 The Et-fruit provides its services at the time it promises to do so.					
2.2 Et-fruit offer fruit and vegetable products with appropriate price at the promised time.					
2.3 Et-fruit has a convenient operating hours to all its customers.					
2.4 When customers have a problem, Et-fruit employees shows sincere interest in solving it.					
2.5 As soon as you have complained, in terms of products quality, time and price honestly concerned in resolving it.					
3. Responsiveness					
3.1 Employees engaged in Et-fruit service center tell you exactly when the service will be performed.					
3.2 Et-fruit employees at service centers are always happy and willing to help you.					
3.3 Service provider's employees are never too busy to respond to their customer at service center.					
3.4 Employees engaged in the Et-fruit service center give customers a prompt service.					
4. Assurance					
4.1 The behavior of Et-fruit's employees at the service center instills confidence in customers.					
4.2 Et-fruit employees make customers feel safe in during your					

transaction					
4.3 Employees in Et-fruit sells center are Consistently well-mannered.					
4.4 Employees of Et-fruit at service center have the knowledge to answer customers questions					
5. Empathy					
5.1 Et-fruit employees at service center give care for their customers need					
5.2 Et-fruit service providing center has a convenient operating hours to its customer.					
5.3 The employees understand customers specific needs					
5.4 The Et-fruit service center is easily accessible at everywhere.					

Part III: Evaluation the level of satisfaction of services offered by the Et-fruit

The following question tries to evaluate the level of satisfaction of service offered by the *Et-fruit*. Please tick **(√)** the number that you feel most appropriate number using the scale below (from 1 to 5 alternatives).

(**1= Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5= Strongly Agree**)

Product quality	**1**	**2**	**3**	**4**	**5**
1 Et-fruit provide a quality of products like Fruit, vegetables and factory processed for its customers.					
2 Et-Fruit does providing up-to-date products and do products promotion.					
3 Et-fruit products and service performance meet your needs and expectations.					
Competitive Pricing (Price satisfaction)					
1 I am properly informed about the price of services.					
2 The price of the products are lower than competitors					
3 Price information is clear, complete and understandable.					
Customer satisfaction					
1 I got the full service I expected from Et-Fruit.					
2 The commitment of ET-fruit to serve its customers and by time performance is meet your expectations.					
3 how are you satisfied with the service provided by Et-Fruit.					

Finally, write any ideas or comment about Et-fruit that you feel regarding the customer service.

…………………………………………………………………………………………………

…………………………………………………………………………………………………

………………………………………………………….

ቅድስት ማርያም ዩኒቨርስቲ
የድረ ምረቃ ፕሮግራም
ቢዝነስ አድምንስትሬትብ ድፓርትመንት

ውድ የኢ-ት-ፍሩት ደንበኞች

እኔ በአሁኑ ሰዓት በቅድስት ማርያም ዩኒቨርስቲ የሁለተኛ ድግሪ ተማሪ ስሆን የመመረቂያ ጥናቴን በአትክልትና ፍራፍሬ ንግድ ሥራ ዘርፍ /ኢ-ት-ፍሩት/ አዲስ አበባ ባለ የመሸጫ ቅርንጫፍችንና የችርቻሮ ሱቆች በአገልግሎት ጥራት እና በደንበኛ እርካታ ዙሪያ መረጃ ለመሰብሰብ የተዘጋጀ ነው። የዚህ መጠይቅ አላማም ኢ-ት-ፍሩት በሚሰጠው አገልግሎት ጥራት እና በደንበኞች እርካታ ዙሪያ ላይ በቂ መረጃ በመሰብሰብ ጥናቱን ውጤታማና ተዓማኝነት ያለው ማድረግ ነው። ይህንንም አሳካ ዘንድ የእርስዎ ትብብር በጣም ያስፈልገኛል። ስለዚህ ለመጠይቁ መልስዎን በመስጠት እንድተባበሩኝ በአክብሮት እጠይቃለሁ። ለመጠይቁ የሚሰጡት ምላሽ ለጥናቴ ብቻ የሚውል ሲሆን መልስዎትም በሚስጥር ይያዛል። ማንኛውም ጥያቄ ወይም አስተያየት ካለዎት በሚከተለው አድራሻ ያነጋግሩኝ (ቴል-0913871381)

ማሳሰቢያ:-

- ❖ ስምዎትን መጥቀስ አያስፈልግም
- ❖ ትክክል ነው ብሎው ያሰቡትን መልስ ፊት ለፊት ባለው ሳጥን ውስጥ የራይት (√) ምልክት ያድርጉ።

ስለ ትብብርዎ አመሰግናለሁ!

ክፍል አንድ-የግል ሁኔታ

እባክዎትን እያንዳንዱን ጥያቄ በጥንቃቄ ያንብቡ እና የእይታዎን በትክክል ከሚወክል ምላሽ ጋር በሚመሳሰል ሳጥን ውስጥ ምልክት ያድርጉ።

1. ጾታ

ወንድ ☐   ሴት ☐

2. የእድሜ ክልል

18-25 ☐   26-33 ☐   34-41 ☐   42-49 ☐   ከ 50 በላይ ☐

3. ሥራ

የመንግስት ሰራተኛ ☐   በግል ተዳዳሪ ☐   የግል ሰራተኛ ☐   ሥራ የለኝም ☐

4. የትምህርት ዳረጃ

2ኛ ደረጃና ከዚያ በታች ☐   ድፕሎማ ☐   ድግሪ ☐   2ኛ ድግሪና ከዚያ በላይ ☐

5. ምን ያህል በተደጋጋሚ ኢት- ፍሩትን ይጎበኛሉ?

ቀን በቀን ☐   በሳምንት አንድ ጊዜ ☐   በሳምንት ሁለት ጊዜ ☐   በወር ሁለት ጊዜ ☐

ክፍል ሁለት፡ በኢት-ፍሩት አገልግሎት የሚያገኙትን እርካታ ይዳስሳል

እባክዎትን የእርስዎን ሀሳብ ከ1-5 የቀረቡትን ቁጥሮች(√) ምልክት በማድረግ ያመልክቱ

1=በጣም አልስማማም፤ 2 =አልስማማም፤ 3=ሀሳብ የለኝም፤ 4= እስማማለሁ 5= በጣም እስማማለሁ

የአገልግሎት ጥራት ልኬቶች					
1.ተጨባጭ ሁኔታዎች (Tangibility)	1	2	3	4	5
1.1 የኢት-ፍሩት ምርት ማከማቻ መጋዘንና ሽያጭ መ०ከል ዘመናዊ ነው፡፡					
1.2 የኢት-ፍሩት የፍራፍሬና የአትክልት ምርቶች ለአይን የሚማርክ ነተው፡፡					
1.3 አገልግሎት ሰጭዎች ሰራተኞች ሥነምግባር ያላቸው ፤ ጥሩ አለባበስ ያላቸው እና ብቃት ያላቸው ናቸው፡፡					
1.4 የኢት-ፍሩት አገልግሎት መስጫ መሳሪያዎች የምርት መያዣያ ሣጥን፤ የመሻጫ ሱቆችና ሌሎች መሳሪያዎች ለዓይን የሚስቡ ናቸው፡፡					
2.ታማኝነት (Reliability)					
2.1ኢት-ፍሩት ቃል በገባው መሠረት ተገቢውን አገልግሎት ይሰጣል፡፡					
2.2 ኢት-ፍሩት ቃል በገባው ሰዓት ፍራፍሬና አትክልት ምርቶችን በተመጣጣኝ ዋጋ የቀርባል፡፡					
2.3 ኢት-ፍሩት የሚሰራበት ሰዓት ለሁሉም ደንበኞች ምቹ ነው፡፡					
2.4 ደንበኞቹ ችግር በሚገጥማቸው ጊዜ የኢት-ፍሩት ሠራተኞች ችግሩን ለመፍታት ከልብ የመነጨ ፍላጎት አለቸው፡፡					
2.5 የድርጅቱ ሰራተኞች ስለ ምርት ጥራት፤ ጊዜና ዋጋን በተመለከታ ቅሬታዎን በትክክል ይፈታሉ፡፡					
3.ፈጣን ምላሽ /Responsiveness/					
3.1የኢት-ፍሩት ሽያጭ ማዕከል ሰራተኞች አገልግሎቱ የሚሰጥበትን ጊዜ በትክክል ያሳዉቃሉ፡፡					
.2 የኢት-ፍሩት የሽያጭ ማዕከል ሰራተኞች ሁል ጊዜም እርስዎን ለመርዳት ፍቃደኛ ናቸው፡፡					
3.3 የኢት-ፍሩት የሽያጭ ማዕከል ሰራተኞች የእርስዎን ጥያቄ ለመመለስ ሁሌም ዝግጁ ናቸው፡፡					
3.4 የኢት-ፍሩት የሽያጭ ማዕከል ሰራተኞች ቀልጣፋ የሆነ አገልግሎት ይሰጣሉ፡፡					
4.እርግጠኝነት /Assurance/					
4.1 የኢት-ፍሩት ሰራተኞች ፀባይ ደንበኞች በድርጅቱ እምነት እንዲኖረን አድርጓል፡፡					
4.2 የኢት-ፍሩት ምርቶችን በሚገዙበት ወቅት ደህንነትዎ የተጠበቀ ነው፡፡					
4.3 በኢት-ፍሩት የሽያጭ ማእከል ውስጥ ያሉ ሠራተኞች ጥሩ ሥነ ምግባር ያላቸው ናቸው ፡፡					
4.4 የኢት-ፍሩት ሰራተኞች የደንበኞችን ጥያቄ ለመመለስ በቂ እውቀት አላቸው፡፡					
5.ችግርን መረዳት /Empathy/					
5.1 በሽያጭ ማእከላት የሚገኙ የኢት-ፍሩት ሠራተኞች ለደንበኞቻቸው ፍላጎት እንክብካቤ ያደርጋሉ፡፡					
5.2 የኢት-ፍሩት አገልግሎት መስጫ ማዕከል ለደንበኛው ምቹ የሥራ ሰዓት አለው ፡፡					
5.3 የኢት-ፍሩት አገልግሎት የሽያጭ ማዕከል ሰራተኞች የደንበኞች ልዩ ልዩ ፍላጎቶችን ይረዳሉ፡፡					
5.4 የኢት-ፍሩት አገልግሎት ማዕከል በሁሉም ቦታ በቀላሉ ተደራሽ ነው ፡፡					

የምርት ጥራት /Product quality /	1	2	3	4	5
1 ኢት-ፍሩት ጥራትና ደረጀዉን የጠበቀ ምርት እንደ ፍራፍሬ፣ አትክልትና በፋብሪካ የተቀነባበሩ ምርቶችን ለደንበኛ ያቀርባል::					
2 ኢት-ፍሩት ወቅቱን የጠበቀ ምርቶችን በማቅረብና ለተገልጋይ የማስተዋወቅ ስራ በትክክል ይሰራል::					
3 በጥራትና አፈዛዘም ዙሪያ ኢት-ፍሩት የሚያቀርባቸው ምርቶች የሚጠብቁትን ፍላጎቶችዎን ያሟላሉ::					
የዋጋን እርከተን በተመለከተ (Price satisfaction)					
1 ለያንዳንዱ የአገልግሎት ክፍያ እንዳዉቅ በሚገባ መረጃ አግኝቻለሁ::					
2 የአገልግሎት ክፍያ ከተወዳዳሪ ጋር ሲነፃፀር ዝቅተኛ ነው::					
3 የክፍያ መረጃን በተመለከተ ግልጽና የተሟላ እንዲሁም በቀላሉ ለመረደት የሚያስችል ነው::					
የደምንበኛውእርካታ /Customer satisfaction/					
1 ኢት-ፍሩት በሚያቀርበው አገልግሎት ሙሉ በሙሉ የጠበቅሁትን አገልግሎት አግኝቻለሁ::					
2 ኢት-ፍሩት ደንበኞቹን ለማገልገል ያለው ቁርጠኝነት እና በወቅቱ አፈዛዘም የሚጠብቁትን ያሟላል::					
3 ኢት-ፍሩት በሚያቀርበው አገልግሎት ረክተዋል?					

በመጨረሻም፦ ኢት-ፍሩት ለደንበኞቹ በሚሰጠው አገልግሎት የተሰማዎትን ሀሳብ እና አስተያየትይፃፉ………………………………………………………………………………………

…………………………………………………………………………………………

………………………

Appendix2

Reliability Analysis of the Questionnaires

Reliability Statistics

Cronbach's Alpha	Tangibility Items
.713	4

Reliability Statistics

Cronbach's Alpha	Reliability Items
.781	5

Reliability Statistics

Cronbach's Alpha	Responsiveness Items
.810	4

Reliability Statistics

Cronbach's Alpha	Assurance Items
.766	4

Reliability Statistics

Cronbach's Alpha	Empathy Items
.715	4

Reliability Statistics

Cronbach's Alpha	Product quality Items
.762	3

Reliability Statistics

Cronbach's Alpha	Price Items
.692	3

Reliability Statistics

Cronbach's Alpha	Customer satisfaction Items
.807	3

Appendix3

Correlations

		Tangibility	Reliability	Responsiveness	Assurance	Empathy	Customer satisfaction
Tangibility	Pearson Correlation	1					
	Sig. (2-tailed)						
	N	340					
Reliability	Pearson Correlation	.712**	1				
	Sig. (2-tailed)	.000					
	N	340	340				
Responsiveness	Pearson Correlation	.511**	.665**	1			
	Sig. (2-tailed)	.000	.000				
	N	340	340	340			
Assurance	Pearson Correlation	.654**	.785**	.735**	1		
	Sig. (2-tailed)	.000	.000	.000			
	N	340	340	340	340		
Empathy	Pearson Correlation	.659**	.770**	.634**	.820**	1	
	Sig. (2-tailed)	.000	.000	.000	.000		
	N	340	340	340	340	340	
Customer satisfaction	Pearson Correlation	**.630****	**.695****	**.493****	**.696****	**.689****	**1**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	340	340	340	340	340	340

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

Appendix 4
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.725[a]	.526	.523	.82423	.526	187.049	2	337	.000

a. Predictors: (Constant), Price, Product quality

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	254.145	2	127.073	187.049	.000[b]
	Residual	228.943	337	.679		
	Total	483.088	339			

a. Dependent Variable: Customer satisfaction
b. Predictors: (Constant), Price, Product quality