

**TO EXERMINATE PROMOTIONAL MIX INFLUENCE TOWARDS
CUSTOMERS'SATISFACTION, LOYALTY AND RETENTION IN MOBILE
TELECOMMUNICATION : A CASE OF AIRTEL TANZANIA**

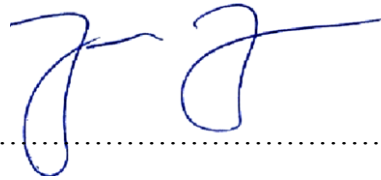
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**THESIS SUBMITTED IN PARTIAL FULFILMENT FOR THE
REQUIREMENT FOR THE DEGREE OF MASTER OF BUSINESS
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2017

CERTIFICATION

The undersigned, certifies that he has read and hereby recommends for the acceptance by The Open University of Tanzania, a thesis entitled **To Examine Promotional Mix Influence Towards Customers' Satisfaction, Loyalty and Retention in Mobile Telecommunication** in a partial fulfillment of the requirement for the award of the degree of Master of Business Administration of The Open University Tanzania University.



Prof. Jan Erik Jaenson

(Supervisor)

.....
Date

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DECLARATION

I, **Focas M. Lugoye**, do hereby declare that this thesis is my own original work and that it has not been presented to any other University for similar or any other degree award.

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Signature

.....

Date

DEDICATION

This thesis work is dedicated to my late parents Mr and Mrs Lugoye Malazya for their love, supporting and encouragement. With the spiritual aid of the Almighty God who made me accomplish this research, I also dedicate this research to my family, my wife Syone Simon and our beloved children's , Catherine, Simon and Gwantwa in particularly for their noteworthy assistance they rendered on me during the whole course of my study which enabled me reach this theatre. May the Unmovable Mover keep us united enriched with His noble grace so that we are blessed and love each other.

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ABSTRACT

The study was to examine Promotional mix influence towards customer's satisfaction, loyalty and retention in the mobile phone technology. Case study was Airtel customers. The study involved a sample of 100 customers who represented 1000 customers from Ilala, Kinondoni and Temeke district in Dar-es-Salaam region. Questionnaires were mailed to Airtel customers randomly in Dar-es-Salaam, and 60 questionnaires were responded and returned back. This study had three specific objectives; (i) To examine promotional mix influence towards customers' satisfaction. (ii) To assess promotional mix influences towards customers' loyalty. (iii) To investigate promotional mix influence towards customers' retention. Data analysis used the soft science model i.e IBM SPSS 21 version and simple percentage model for data analysis. The study was subjective, descriptive, holistic, exploratory and qualitative. The study has features of validity, reliability, transferability, dependability, credibility and transferability. The hypotheses were formulated and tested. The contingency tables of variables of interest were generated and analysis made. The chi-square test was used to test the three (3) hypotheses of the study at 95% confidence level (error probability, $P=0.05$) and df 4 values. The study involved independent variables namely Advertisement, sales promotions, public relation, personal selling and direct marketing. The study was concluded that the statistical data supports the study hypothesis that promotional mix influences customers' satisfaction, loyalty and retention in mobile communication.

Key Words: Promotional Mix, Mobile phone Communication, Airtel Tanzania
Customer's Satisfaction, Loyalty and Retention.

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LIST OF ABBREVIATIONS

B2B	Business to Business
B2C	Business to Consumer
CEO	Chief Executive Officer
CIA	Corporate Affairs International
CSR	Corporate social responsibility
CVP	Contextual Perceived Value
DMH	Dual Mediation Hypothesis
DTAC	Digitized Training Access Centre
ECSR	Environmental Corporate social responsibility
FSI	Free. Standing Insert
GDP	Gross Domestic Product
GSM	Global System for Mobile Communication
i.e	That Means
ICT	Information and Communications Technology
IMC	Integrated Marketing Communication
ITU	International Telecommunication Union
KAS	Knowledge, Ability and Skill.
M I C	Millicom International Cellule
MTN	Mobile Phones Network
PAS	Perceiving Adaptive Sellin
PCL	Public Company Limited
PR	Public Relation
SD	Standard Deviation

SMS	Short Message Service
SNSs	Social Network Sites.
SPSS	Scientific Package of Social Scientist
TCC	Tanzania Communication Commission
TCRA	Tanzania Communication Regulatory Authority
TIGO	Transportable Intergrated Geodetic Observatory
TV	Television
VODACOM	Voice Data Communication
WOM	Word of Mounth

CHAPTER ONE

1.0 BACKGROUND INFORMATION

1.1 Background

In the world, mobile phone communication technology is developing and expanding very fast. Mobile phones are considered to be a human need in the 21st century. Mobile technologies in the world are very important and helpful for economic and social activities to urban and rural areas. As regards the case, the mobile phone communications technology has been fast growing in Tanzania. According to Tanzania Ministry of Communications and Transport; Tanzania had 81 mobile phone subscribers per 10,000 in 2003 (URT, 2003). This is about 0.0081% of the population. By 2006, the number had incredibly shot up, in 2015 Tanzania had about 48 million people and at least 65% equal to 31, 860, 000 people were mobile phone users. It is said that 39 million simcards are used by people for different uses such as voice and data which make one person to have two or more phones connected to different mobile phone service operators. Currently, there are six major companies offering the mobile phone services, which are Airtel, Voda com, Tigo, Zantel, Halotel and TTCL. TCRA (2015).

It has been described by Kotler and Keller (2006) that, promotional mix theory are used by profit and non profit organizations intentionally for the benefit of their organization to make the business elite and making customers satisfied, loyal and retained to the service or product. Other scholars, Leelakuthanit and Hongcharu (2011) explained that, promotions relating to customer satisfaction in the mobile is one of

the key success indicator of the promotional value, positive services encounters, customer value and service quality value in the mobile context of customer's satisfaction, loyalty and retention. On the other hand, Zeithaml et al (2008) describe that promotions bridges the customer and service provider gaps for providing the service expected by the clientele, they add that servicescapes such as customer bills statement, direct information to customers, social group interaction, e-banking, internet and on line airtime purchase have increased customers satisfaction, loyalty and retention for mobile phones customers. It has been stated by Still and Cundiff (2012) that, chief marketing executives are responsible for setting promotional policies while sales executives participate in their formulation for making strategic and effective promotions which make customers satisfied, loyal and retained to the service or product. Almosawi (2012) argued that, promotions related to payment and saving such as offers, rents and charges have great influence to customers' satisfaction in the mobile telecommunication industry. Almosawi (2012) said that, promotional mix are the most factors determining customers retention and likelihood of customers switching from one mobile provider to another. Nevertheless, Loverlock and Wirtz (2007) described the importance of promotions by saying that, promotions make customers get right information about its services or products value and said that, on the other hand the organization justify its responsiveness, assurance and empathy to its customers and hence customer satisfaction and loyalty, therefore customers' retention. It is being emphasized that, customer retention has significant impact on customers' loyalty and emphasized that strategic promotions are very important on customer's satisfaction, loyalty and retention. (Khan, 2016). Promotions has been reported by Jeng and Bailey (2012) argued that, it has

significant influence on customers' satisfaction and reported to be the major motivators for customer retention in mobile telecommunication world wide, it needs good advertisement and sales promotions for customer's satisfaction and loyalty, and that mobile phone companies have changed their promotional perspectives from growth to value added and customer focused promotion for customers' satisfaction and loyalty. Other results, Hu et al (2009), Goode et al (2010) and Martensen et al (2010) have indicated that promotions are very critical factor in mobile phone for informing customers about the level of service charge, service quality, level of satisfaction and company performance. Furthermore, they emphasized that, in today's world of intense competition, satisfying customers is the foundation work and may not be sufficient for survival and management but should focus on gaining customer loyalty and retention.

Promotional activities are carried out basing on the swot analysis by knowing the strengths and weaknesses of the organization and anticipating the opportunities and threats from the target market. Promotion media which are commonly used are tv, radio, newspapers, and e-technology channels. Promotions are normally bound by marketing environment such as demographic, economic, social, cultural, technological, political, legal, aesthetic and educational environments which shapes people's values, attitudes, perceptions and customer behavior.

Moreover, promotion is based on the creativity and innovation for developing, designing and implementing the promotions programs, process and activities. (Kotler and Keller, 2006).

Airtel Tanzania was a result of fulfilling the national privatization policy . It was Celtel international which acquired TTCL on February 23, 2001. In the aftermath, Celtel international known as MSI with its headquarter in Amsterdam, Netherlands, together with detocon from German obtained 35% shares from the government of Tanzania. On September, 2007 Celtel was acquired by Zain, this led to the rebranding of Celtel Tanzania to Zain Tanzania(TCC 2007).

1.2 Statement of the Problem

Kothari (2007) describes that , statement of the problem is a brief of description of the issues that need to be addressed between variables which have relationship. It is the claim sentences in length that outlines the problem addressed by the study.

Airtel mission is hunger to win customers and Airtei vision is to enrich the lives of their customers for life through an exceptional experience. Airtel values are arrive, inclusive and respective and airtel has been promoting its brand, services and products since it was launched in 2011.

Unfortunately, there has been a decline of customers from time to time and make the company loose its costomer which is ontraly to the company mission and vision.It was repoted on line by TCRA (2015) that, there was a decrease of Airtel's customers in Tanzania.The statistics revealed that out of 6.7 million of the industry growth in 2015, Tigo grew by 2.7 million 37% of the growth industry and Airtel grew by 1.5 million (22%)and Voda grew by 2.8 equal to 38%. In December 2015 it was reported that Airtel is e number three in tanzania market with 32% beyond

Tigo for 69,000 subscribers with the same percentage 32% while Vodacom remains at the top with 33 percent. Airtel has been the second beyond Vodacom in terms of market share for almost ten years. Moreover, Airtel has been running different promotions relating with brand credibility, brand cerebrity, advertising, sales promotions, direct marketing , sponsorship program, public relation and brand congruent promotions.

In response to this problem , this study proposes to exermine promotional mix influence towards customers satisfaction, loyalty and retention in mobile communication a case of airtel Tanzania .This research planed to cary out the descriptive, holistic and exprolatory study.

1.3 General Objectives

The general objective of this study was to exermine promotional mix influences towards customers' satisfaction, loyalty and retention in mobile phone technology in Tanzania.

1.3.1 Specific Objectives

- i) To examine promotional mix influence towards customer's satisfaction.
- ii) To assess promotional mix influence towards customer's loyalty
- iii) To study promotional mix influences towards l customer's retention

1.4 Significance of the Study

This study is very impotant because it is descriptive,exploratory and qualitative study. The study is reliable and validy because it is transferable and dependable . the

study has contribution to knowledge, to business management and it has personal benefits to the researcher. As regards to knowledge, this study adds fresh insights in the field of promotional mix. Particularly, with respect to best practice. Moreover, the study is trustworthiness because it has used proper methods and procedure to come up with conclusion. Promotion is very important in the competitive environment for making the firm be elite in the market. Lastly, this study has enhanced the researcher's better understanding of promotional mix influence towards customers' satisfaction, loyalty and retention.

Findings obtained from different studies in different countries like Tanzania, Kenya, Ghana, Nigeria, South Africa, USA, Bangladesh, Bahrain, Pakistan, Malaysia and UK, and findings from the theoretical and empirical studies obtained in different countries with different geographical location, different level of development and at different times and reasons, it is therefore evident that there was a need for conducting further studies in the area of promotional mix which influence customers' satisfaction, loyalty and retention in the mobile telecommunication technology

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introductions

This chapter examines previous literary work and research done on the promotional mix in relation to customer satisfactions, loyalty and retention in the mobile phone technology. It begins by defining key conceptual terms that constitute the study. The chapter presents theories and some empirical studies used to the undertaking. The conceptual framework reflects the entire literature and how the same relates to the research problem. Lastly Literature review also talks on the theoretical gap to the study which shows the link between promotional mix and customers' satisfaction, loyalty and retention in mobile phone technology whether the study adds new things or give contribution to existing theories and empirical studies. engaged in the study.

2.2 Definitions of the Concepts

2.2.1 Promotion

Kotler and Keller (2006) defined that, promotion is to communicate to the market about the product or services, it is the advancement of the product, service or product over view through publicity and advertisement. Berkowitz et al (2000) stated that, theoretically, promotion is one of the four elements of marketing mix namely; product, price, promotion and placing. Promotion is the communication link between sellers and buyers. Promotion is done for meeting different objectives, such as customer satisfaction, demand creation, customer retention, building customer

loyalty, increasing sales, stimulating the market, informing the market, reminding customers and so on. Mulhern (2009) described that, promotion is the only tool which can make the benefits of a service or product be known in the market, promotion educates consumer's subjective perception on how well a product, brand or service performs on different attributes.

Promotion can be done indirect or directly based on personal's experience, can be done by advertising or stories from other people. Promotion uncovers the state of mind in which a person thinks something to be true without empirically tested. Stevens and Bressler (2016) described that, promotion is the independent variable which promotes the services or product to achieve the dependent variables, such as increase customer's loyalty and satisfaction.

2.2.2 Elements of Promotional Mix

Berkowitz et al (2000) in their marketing management theory, explained that promotional mix is an element of marketing, it includes sales promotions, personal selling, direct marketing, public relations, and advertisement. McCarthy and Perreault (1993) described that, media commonly used for promotions are television, radio, internet, news papers and magazine.

2.2.3 Promotional Objectives

The marketing management theory finds that promotional objectives are to inform, remind and persuade the market about the organization services or product through out the life of the venture, promoting the services or products is to provide information to customers, stimulating demand and reinforcing

customers for building strong relationship to make customers loyal, satisfied and retained to the service provider. (Kotler and Keller, 2006).

Kotler and Keller (2006) stated that, promotional objectives are the end results which the firm expect to achieve from the promotions undertaking. In addition, Kotler and Keller (2006) claimed that, theoretically, promotional objectives are to inform, remind and persuade the market about the service or product. The objectives of informing is to increase customers through the existing services or products, Persuading means to add value to the existing services for retaining and reminding customers that services or products are available and can satisfy customers utility.

2.2.4 Conceptual Framework

The conceptual framework is an abstract representations connected to research projects and direct the collection and analysis of data. It is also an analytical tool with several variables and context. Conceptual framework cross both scale of theories with distinctive organized ideas. Moreover, conceptual framework capture something real which is easy to remember and apply. (Kotler and Keller, 2006)

2.3 Promotional Mix Theories in Relation to Customers' Satisfaction, Loyalty And Retention

2.3.1 Advertisement Theory

The advertisement theory is emphasizing customer satisfaction, communication, persuasive information about a product to the market by means of the written and

spoken word. Berkowitz et al (2000) explained that there are five principal media of advertising as follows; the press, commercial television, direct mail, commercial radio and outdoor ads. Boove and Avens(1992) stated that, traditionally, media such as television, radio, newspapers, magazines, books, direct mail, billboards, transit cards (advertisements on buses, taxis, and at bus stop) are most commonly used to transmit advertisements for customers satisfaction and loyalty. According to Zeithaml et al (2008) stated that, marketers have many new ways of satisfying customers such as sending advertisements to subscribers in new and innovative way with interactive video technology located in department stores, supermarkets, and through the web sites. Kotler and Keller (2006) explained that, one of the primary benefits of advertising is its ability to communicate to large number of people at one time, but the total cost for advertisement is typically very high. Hawkins and Best (1992) adds that, advertisement in business is a form of marketing communication used to persuade, encourage or manipulate an audience viewers, readers or listeners from the targeted market segment or group. Hackley (2010) explained that advertisement is the international strategy to satisfy and make customers loyal on the product or service. Bulterfield (1997) describes that advertisement is promoting the product or services at large for the aim of communicating to the market about the products benefits and attributes which automatically increase customer satisfaction and loyalty. Hackley (2010) states that advertisement can have the positive effect on customers at a certain level of knowledge and exposure (wear in effect) or advertisement is the promotion which can have negative effect to customers (wear out effect) at a certain level of knowledge. Gaughan (2012) stated that, advertisement through mobile marketing is the most important promotion tool in mobile phone

industry for building customers' loyalty, satisfaction, and retention by providing customers with timely and informative information.

2.3.2 Sales Promotion Theories

Sales promotion relates to customer satisfaction, sales promotions use contests, rebates, coupons, offers and discounts to induce customers to test the product and ultimately buy the product or services(Arens,2013). .ScholarsGiuliana et al (2014) explained that, sales promotion is a short term strategy, normally planned for increasing customers meeting targets within a short time period.Pandey (2006) stated that one of the marketing tools for expanding sales, create loyalty and retention to customers is credit selling, products and services are promoted by using credit sales.Pandey(2006) emphasized that, companies sometimes promote their services or products by extending credit to dealers to build long-term relationships with customers or to reward them their loyalty.Evans and Barman(1990) stated that,sales promotions use both direct and indirect advertising designed to stimulate sales by the use of incentives mainly the use of free sample, twin-pack bargain, temporary price reduction and special discount bonus. McKechnieandShally (2012) described that, sales promotion activities induce and satisfy customers by using give aways, product samples, point of purchase, materials, offers, free airtime , rebates, and other ways for customers' entertainments for the aim of creating customers' satisfaction. Arens (2013), on the other hand,advertisement promotions make customers increase their savings and hence make customers'satisfied, loyal and retained to the service or product. Nevertheless,it was explained by Christie (2014) that, sales promotion is generally divided into two major categories; consumer-

oriented and trade-oriented activities aiming to deliver promotions to customers and vendors for creating customers satisfaction and loyalty. Kotler and Keller (2006) described that sales promotions are done by following the organization strategic marketing plan for achieving the organization goals. Lucey (2003) described that the sales forecast is a complex and difficult task and it involves considerations of numerous factors including advertisement and promotion policies and anticipated expenditure. Therefore, valuable promotion must be strategic and smart planned for customers' satisfaction and retention.

2.3.3 Personal Selling Theory

According to Berkowitz (2000) personal selling promotion is a strong tool for convincing, satisfying and making customers loyal to services or product. Still and Cundiff (2007) stated that personal selling promotion need a person who can plan, manage and control sales territories, controlling selling expenses, assisting in evaluating sales personnel, and contributing to sales force morale for making customers satisfied and loyal. Still and Cundiff (2007) added more that personal selling need a person who is able to make effective advertisements, provide proper market coverage and involve sales personnel in quota setting plan. Another scholar Lovelock and Wirtz (2007) stated that, personal selling follows steps of sales techniques, from prospecting and identifying customers for making effective presentation and persuasion to make customers satisfied with the services attributes before making buying decision. Anderson, W. Personal communication (2004) in his view added that personal selling involves sales persons who are aggressive enough to meet sales objectives. Lassk et al (2012) explained that, sales person

should be hardworking, eager to sale, ability to convince customers and must have entrepreneurial traits for inducing customers and make them satisfied with sales stores. awkins and Best (1992) empasized that,sales person must be objective, resourceful and industrial for meeting sales objectives,sales person need to be supported by the management, company image and level of the organization achievement. Hollensen (2003)stated that,personal selling is successful by using skilled sales persons who have the know how knowledge of the product or service for the motive of satisfying prospect customers.Moutor and Bascoul (2009), added that, personal selling is person-to-person promotion communication in which a seller attempts to assist and persuade prospective consumers to purchase the company's products or services. Kotler and Keller (2006) described that, unlike advertising, personal selling answers customers question, that personal selling involves direct contact between buyer and seller, either face-to-face or through some form of telecommunications such as telephone sales which has significant impact to customer satisfaction, loyalty and retention. Kotler and Keller (2006) stated that,interacting with customers make communication be flexible, the seller can observe customers interest characteristics and adjust quickly for satisfying customers' interest.Lassk et al (2012), have observed that, personal selling is in the implicitly theory in the context of motivatingpersonal sales men and know the behavior of the sales persons. Implicitly theory believes that the ability of personal selling is an incremental (made) rather than an entity born ability. Mondy et al (1984) descrided that in oder any business plan including promotional planning to be achieved need effective planning, organizing, staffing, directing and controlling to accomplish the organizational goals through the coordinated use of the organization resources.Dawn et al (2013)

emphasised that, personal selling is perceiving adaptive selling and purchasing intention, PAS refers to the degree to which the buyer perceives from the seller information about the services or product and selling is an asymmetric retail in the world. Chaffey (2009) stated that personal selling is influenced by buyer behavior which involves a person perception, attitude, negotiation and decision making to make the buyer satisfied. Still and Cundiff (2007) stated that personal selling is the buyer seller relationship including purchasing terms, incentives, compensation and diversity which have impact on customers satisfaction Lassk et al(2012) explained out that, personal selling needs selling ethics, such as legal, environmental ability, social, diversity issues, organization images and the service or product knowledge. Berman and Joel (1986) explained that, personal selling spends a lot of money to promote and sale its service and products, promotions use sales missionaries and incur travelling costs, accommodation allowances, vehicle maintenance cost, venue arrangement costs, telephones costs and entertainment cost. Berman and Joel (1986) described that, promotion through personal selling should involve sales men with know how ability for making thorough presentation and answering questions effectively which build customer satisfaction and loyalty. Kotler and Keller (2006) explained that personal selling theory is focusing on customers needs for making customers satisfaction, it is promoting the services or products through the sales force for increasing customers and sales, the theory consists the selling process to close the sales deals and creating customers satisfaction, loyalty and retention.

2.3.4 Direct Marketing Theory

Lovelock and Wirtz (2007) described that, direct marketing theory explain that

direct marketing promotions in mobile phone technology involves mobile social network (MSNs), servicecape such as billing statements and e- banking for customers satisfaction, loyalty and retention. Zeithaml et al (2008) described that, direct marketing bridge the customer and service provider gap for delivering the right services to the right customer at the right time and that is influenced by the utilitarian, motivation, mobile convenience and contextual perceived value (CPV). Katzenstein and Sachs (2007) stated that, direct marketing is highly practiced in mobile phone technology and gaming and it is very effective in particular to youth group of mobile phone users. Further more, Berkowitz et al (2000) direct marketing promotions is a type of advertising directed to a targeted group of prospects and customers rather than to an mass audience. Hollensens (2003) emphasized that direct marketing promotion is communicated through availability of the media including sms, email, website, on line adverts, data base marketing, fliers, catalog and seems to be effective for customers satisfaction, loyalty and retention. Other scholars, Laudon (2004); Polack, (2015) have explained that, direct marketing use moderator to engage customers to advertisement database for communication purpose. Goughan, et al (2008) explained that marketing allows a business to engage in one-way communication with customers about product announcements, special promotions, bulletins, customer inquiries, and order placing and confirmations which creates customers satisfaction and loyalty. Hollensen (2013) shows that, direct marketing promotions are vastly practiced in the context of information sharing behavior in social networking sites (SNSs) where people can share information related to their matters, on line information sharing are good promotion channel in business and it builds good customers' satisfaction, loyalty and retention. Kotler and Keller (2006), described

that, direct marketing is also extremely practiced in fast moving consumer goods and to services industry including telecommunication. Shmargad and Watts (2016) promotion theory realized that, on line direct marketing promotion is common and very useful to business to Consumer (B2C) and business to business (B2B) and it have power to influence customers satisfaction. Dwivedi (2006) in his economic theory shows that, direct marketing minimizes operating cost and maximizing profit and hence customers satisfaction. Zeithaml et al (2008) direct marketing is visible and users actions are visible to other users which increase customers' satisfaction and loyalty. Chaffey (2009) explained that, direct marketing promotion is greatly used in mobile phone telecommunication where it provides the option for users on line buying airtime, receiving ads and promotions messages.

2.3.5 Public Relations Theory

Sweetser and Kelleher (2016) stated that, public relation promotion is guided by the committed concrete message to the public for the purpose of supporting the community or public, public relation is satisfying customers and public for giving critical support to the society which creates positive image to customer and public for creating customers satisfaction, loyalty and retention. Kang et al (2016) explained that, organization should be responsible to the society and defining the value of public relation promotion as difference on impacts of the public and exchange on the perception and communicative behavior, that good relationship with customers has a public customer' satisfaction, loyalty and retention status. Kotler and Keller (2006) describes that, PR promotion is to present a message which is informing the public about the vision and mission of the organization. PR promotion considers

communication dimension of social capital revealing shared meaning network of relationship. Ferguson (2014) explains that, PR promotions influences customers' satisfaction, loyalty and retention for groups with same interest through mass media communication. According to McCarthy and Perreault (1993), public relation is another form of promotion, the public relation is compatible with marketing mix about communicating information to clientele on the services or products.

Moreover, Hollensen(2003) explained that, public relation theory is emphasizing effective communication to both parties receivers and senders and hence customer satisfaction, loyalty and retention. Evans and Berman (1990) describes that, PR theory believes that retaining customers is a product of good work of customer satisfaction. Scholars Kotler and Keller (2006) ; Zeithaml, (2008) claimed that public relation is also tells the public about the organization social responsibility for gaining popularity, building customer satisfaction, loyalty and retention, the theory promotes the organization core activities that currently deal with in the environment where it works. Berkowitz et al (2000), the theory of public relation believe that, the organization promotes its business to the environment where customers live, work and support the organization in terms of human and natural endowment resources, therefore, customer satisfaction is the key issue for public and organization. (Kotler and Keller, 2006) defined public relation as a theory which emphasizes better customer relations, better customer satisfaction and better public relations and immediate feedback creates customers satisfaction, loyalty and retention. Zeithaml et al 2008) explained that, promotions by public relations is to announce to the public about the company services or products so that can increase the customers

satisfaction, build good credibility, build good image to the public, it usually comes in the form of announcement about an organization about its products or services. Another scholar, Narula (2016) explained that, public relations can be found in news releases, press conferences, feature articles, photographs, films, audience targeting. Messaging, engagements and videotapes. Blythe (2009) described that, public relation promotion is a tool in which costs low but in return creates high profit maximization and customers' satisfaction, loyalty and retention and make organization grow and maximize shareholders wealth. Kang et al (2016) in their theory, explained that, public relation is promoting its services or products to the society and public at large by washing away the organizations sins, they are emphasizing social responsibility for supporting the society in return the firm is gaining reputation.

From the theories perspective, the authors in their theories on promotions have showed that promotions are very significant for making business survive and elite. The sales promotions and advertisement seems to be very common to the mind of mobile phones customers. Moreover, direct marketing is very effective promotion strategy for mobile phones customers because of direct messages and other information being delivered directly to customers instantly. It was also noted that though promotions theories are generalizable, explorative and dependable and having different applications but promotions theories are categorized into four common categories which are technologically, economically, socially, and material culture for inducing, informing and reminding customers and hence make subscribers satisfied, loyal and retained and make business elite.

2.4 Empirical Literature Review

This study has been done in Tanzania, similar studies in the same industry were done elsewhere in the world, and findings occurred were used in other studies and studies below are some observations according to different researchers who have done studies in this area:

2.4.1 Empirical Review in Asia, Europe, UK and USA

The study carried by Ahmed et al (2015), who analyzed factors affecting consumer switching behavior in mobile phone market in UK, the conclusion was that customers need to be satisfied with services in order to stay to services as loyal customers to the service provider, consumer behavior is always remaining under influence of factors including promotions which motivate consumers' behavior towards either remain loyal with existing brand or switch toward other brands. According to Mainyaki et al (2011), found that, promotions for quality services and customers satisfaction results on customers loyalty, the paper also showed that both services quality promotions and customer satisfaction significantly affect the level of customers' satisfaction, loyalty and retention in Malaysian.

The study recommended that mobile phone service provider should pay special attention to customer loyalty promotions to drive customer's satisfaction. According to Jung-Wan (2011) examined key drivers that establish and maintain customer loyalty to smart phone and mobile telecommunication in USA, the results showed that effective public relation promotions build good corporate image and CSRs are strong antecedents for establishing customer loyalty and recommended possible

strategies for marketing succession in high take product markets. The study carried out by Hossain and Suchy(2013), who assessed influences of customer satisfaction in Bahrain telecommunication industry. Six factors were analyzed such as communication, sales promotion, price structure, value added services, and customer services.

The result showed that effective sales promotion, communication, price structure, value added services, convenience and customer services have positive correlation of customer loyalty. Another study which had significant contribution includes the study by Khaai and Atsheen (2012), who found determinants of customers' satisfaction in telecom industry in Pakistan, the study investigated six major factors which can influence customer satisfaction; promotions, customer services, price, fairness, sales promotion, coverage and signal strength.

On the other hand, a study by Leelakuthanitand and Hongcharu (2011), who looked into factors which motivate customers satisfaction in mobile phones network in Thailand, the study found that to retain customers is one of the key success factor to survive in mobile cellular network.

The results showed that from the mobile service perspective, the customer value, service quality, emotional value, promotional value, service quality and quality of call center plays a significant role in enhancing customer satisfaction in mobile phone telecommunication. Rahman (2012), researched on customer satisfaction towards customer retention on mobile telecommunication customers in Bangladesh, the study found out the determinants that are significantly influencing customers'

satisfaction, the study concludes that, besides other factors, promotions may assist the mobile phones operators to perform effectively in the mobile phone services industry. The results support Malik, et al(2012) and Almosawi(2012), who Investigated the impact of brand image promotions, services quality and price on customers 'satisfaction in Pakistan telecommunication sector. The papers recommended that the services provider to shape their services promotions in a such way that they could maximize customer satisfaction.

2.4.2 Empirical Review in Africa Countries

The findings of the study align with Kapai,(2015), who found the determinants of customers' retention in the mobile telecommunication in Kenya, the analyses looked into customer satisfaction, customer care services, sales promotions, price structure and influence of customer retentions. The study found that customer satisfaction was the strongest determinant factor for customers' retention and sales promotions was positively correlated to customers' retention. The results support Adeleke and Aminu (2012), who Investigated the determinant of customer royalty in the GSM market in Nigeria. The findings revealed that services quality promotions , customer satisfaction and good public relation creates good corporate image and are important determinant of customers loyalty and recommended effective customer focused marketing strategies on customer satisfaction, royalty and retention.

Meanwhile, Molapo and Mukwada(2011), examined the impact of customer retention strategies in South Africa cellular industry,the discussion was on key issues;customer satisfaction, customer retention, promotional strategies, perceived

values, loyalty and services quality. The paper revealed that, though there are many customer retention promotional strategies that are employed, the most effective are those related to quality services and affordability of services for customers satisfaction and retention. Oyeniyi and Abiodun(2010), conducted a study in Nigeria on the switching cost and customer loyalty in the mobile phone market, the study discussed much about marketing on how promotions make customers' satisfaction and loyalty in the competitive environment.

The study concluded that customer satisfaction positively affect significantly the level of customer retention. The research carried by Oclooand Tsetse(2013), on customer retention in the Ghanaian mobile telecommunication, the study revealed that there is a relationship between customer satisfaction and promotion on quality services, but promotion on customer satisfaction to large extent influences customer retention.

The findings concluded by holding implications for industrial operation managers to pay attention on promotion and key areas in order to improve customer satisfaction so as to guarantee customer retention. According to Abideen and Saleen(2012) who investigated the impact of customers' retention strategies in the South Africa cellular industries, the study analyzed the effective advertising promotions and its influence on consumers' behavior, loyalty and retention. It was concluded that emotional response and effective promotion communication, and right information results into strong associate with the consumer buying behavior, customer's satisfaction, loyalty and retention of wireless mobile phones customers.

2.4.3 Empirical Studies in Tanzania

This fact is further echoed from research findings by Senguo and Kilango(2015), who examined on marketing innovation strategies for improving customer satisfaction in Vodacom Tanzania. The main discussion was on competition and war on price among the companies, loyalty and promotion. The study revealed that Vodacom marketing strategies should be customer focused for improving customer satisfaction which have positive effect to Organization profitability in the telephone industries. Research carried out by Jan(2014), the study tested the influence of public relation and social status comparison on customers' satisfaction in mobile phone in Tanzania. The study recommended that promotional managers should not concentrate only to marketing strategy relating to PR issues but also social status issues at different marketing environment for customers satisfaction, loyalty and retention. Another study which had significant contribution include the study carried out by Haji(2014), on the study of the mobile phone usage to the right to privacy in west urban region in Zanzibar for which has positive effect on customer satisfaction, loyalty and retention.

The study concluded that the right to privacy is being invaded from the advancement of information technology (ICT), because of poor privacy policies and lack of legislative protection on policy. The study recommended to have tight privacy policy for protecting and promoting privacy for customers satisfaction and loyalty. The study carried by Mwela(2014), on how the information and communication technology satisfy the micro finance institution develop and work effectively with people from peri - urban area in Tanzania the study concluded that, despite of ICT

supporting the MFIs, working tirelessly to the empowerment, poverty reduction and improving the living standard of people, still MFIs face the challenges of lacking customer' satisfaction because of inadequate facilities, bad perception of stake holders, poor marketing strategies and the usage of ICT in business is still low. Moreover, Lyakurwa (2013), conducted a study on the mobile phone satisfaction motives for purchasing the mobile phones, in Kinondoni, Dar-es-salaam. The study concluded that, despite of prospecting the properties of the phones, there are so many reasons of making people to make decision on purchasing the phones, including promotion, satisfaction, loyalty, retentions, benefits, effective communication, mobile phone banking and so on.

The study has found that empirical studies conducted for promotions in mobile communication are done intentionally, the aim is to keep developing strategies which can manage competition and maintain customers. The study also noted that the market of mobile communication is oligopoly by nature and characterized by stiff competition. Nevertheless, many empirical studies support that promotions are key drivers of making customers satisfied, loyal and retained in mobile phone communication. On top of what it has been discovered in the empirical studies in the world, Africa and Tanzania that, the empirical studies on promotion in mobile communication are reliable, valid internally and externally because empirical studies are objective and are dependable, transferable, and creditable. The study have investigated that most of an empirical studies use large samples and hard science to come up with conclusions which make the study trustworthiness and this is for both qualitative and quantitative studies. From the context of this study, the

empirical promotional studies are consistent and need to be reliable and dependable by other scholars for customer satisfaction, loyalty and retention in mobile communication industry in terms of context, situation, time and population. .

2.4.4 Theoretical Gap

The literature review has tried to present several theories focused on promotions as a key factor of customers satisfaction, loyalty and retention. Scholars, (Berkowitz et al ,2000; Kotler and Keller 2006; Lovelock and Wirtz, 2007;Zeithaml et 2008;) have explained a lot in their theory which have contributions to this study. Other results (Maiyaki et al,2011;Senguo and Kilango,2015;Kapai,2015;Ahmed et al, 2015, Ashe, 2015; Lissta and Koyi, 2016) have indicated that, besides other factors which influence customers satisfaction, promotions have significant influence on customers satisfaction, loyalty and retention in mobile phone technology. However, this study is the knowledge added to the existing knowledge on promotions related to customers satisfaction, retention and loyalty on mobile phone technology. This contribution is vital to promotional theories and for other scholars who will be interested conducting research to topics closely related to this study.

2.5 Conceptual Framework

The researcher came up with the conceptual framework involving independent variables which are Promotional mix variables namely; Advertisement, sales promotions, public relations, personal selling and direct marketing. The technology was mobile phone communication and dependent variables are customer's satisfaction, customer loyalty and customers retention. In the study , the all

promotional mix are means of communicating to mobile phone customers through different media such as TV, radio, newspapers, cell phones, email, billboards, outdoor, seminars, engagement and messaging. Independent variables are linkages and are interrelated with the mobile phone technology. Promotional managers are responsible for promotions activities in the mobile phone competitive market for customers' satisfaction, loyalty and retention.. The conceptual framework is holistic and represents the null hypothesis in the study.

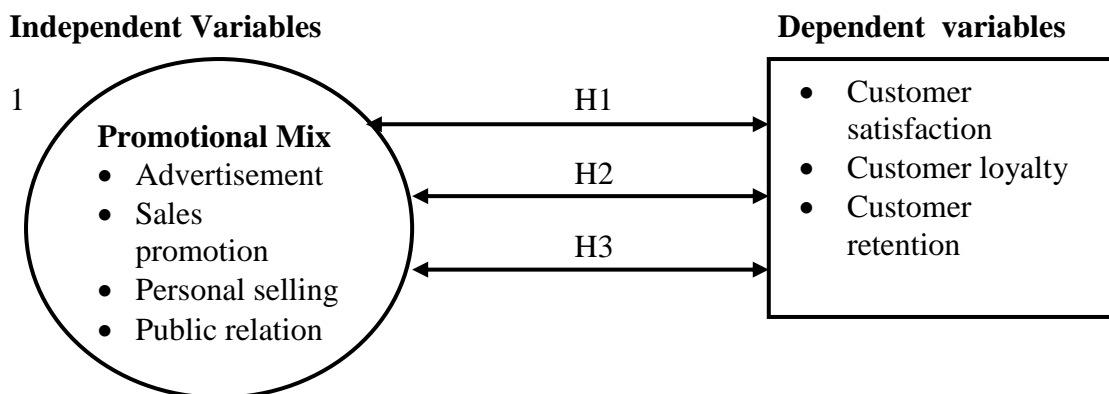


Figure 2.1: Conceptual Framework

2.6 Research Hypothesis

(Kothari, 2004) States that, hypothesis testing is aiming to subject hypothesis to an appropriate empirical analysis and statistical test to examine promotion mix influence towards customers' satisfaction, loyalty and retention in mobile telecommunication:

H1: Promotional mix influences customers' satisfaction in mobile communication

H2: Promotional mix influence customers' loyalty in mobile communication

H3: Promotional mix influence to customers' retention in mobile communication.

CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction and Research Design

Gresswell (2009) describes that, research design is a plan to go about the research, it is a frame work of a blue print for conducting the research project, the details of research designs for this study are descriptive, holistic,exploratory and qualitative by nature, necessary procedures were used for obtaining information needed to context, situation structure, population and time.This study adopted a case study with a single unity inquiry. The unity of enquire is Airtel customers in Tanzania. The choice of Airtel mobile phone customers was influenced by number of factors, firstly, there was a limited resources at my disposal to conduct a research elsewhere. A case study entailing to study on how promotional mix influences customers' satisfaction, royalty and retention has made the researcher to study particular issues in depth and form a variety of perspectives. The purpose of this study together with the nature of data collected influenced choice of this study design,the key questions addressed by this study is on the influence of customers' satisfaction, royalty and retention in mobile phone communication.

3.2 Research Paradigm

Gresswell(2009) defines paradigms as different approaches to research, a distinct of concepts or thoughts patterns, including theories, research methodology, postulates and standards of what constitutes legitimate contribution to the field. In this study the theorie, quantitative models, interpretisim philosophy, reliability, validity,

delimitation generalizability , descriptive exploratory and qualitative paradigms were used to guide this study according to Creswell (2009). Quantitative research identifies a research problem based on trends in the field or on the need to explain why something occurs. However, this study concentrated only on positivist paradigm because the study used scientific approaches to research in the selected samples used in the study and the conclusion was arrived from the statistical and quantitative models.

3.3 Area of the Study

Cassell and Symon(1999)explained that, the area of the study need to be convenient, reachable and accessible, these are justifiable reasons to select the area for the study as well as context and subjectives in the study. The study was limited on promotional mix influences towards customers ' satisfaction, loyalty and retention in mobile phones communication in three districts Ilala, Kinondoni and Temeke in Dar-es-Salaam region.

The researcher conducted the study in Dar-es-Salaam only because of time and resources constraints. However in Dar-es-Salaam region there is a population of 4.5 million estimated as to date compared with the population of 4.4 million of 2012 census.

It is estimated that (50%) percent equal to 2.25 million are mobile subscribers in the city of Dar-es-Salaam, and at least 1000,000 subscribers are Airtel customers. Indeed, Dar-es-salaam region have significant number of Airtel subscribers

activities. Airtel has been taken as the good representative sample because, the researcher happened to be employed by Airtel and worked for five years. The second reason is that the research problem showed the decrease of Airtel customers and losing its market share from being number two beyond Vodacom and become number three beyond Tigo. (TCRA, 2015).

3.4 Data Collection Tools

Clegg and Hardy (2011) stated that both types of data, primary and secondary data are very important while conducting the research, primary data are collected by the researcher from the field for the purpose of getting information from the source and testing the hypotheses, while the secondary data are obtained from literature sources or data collected by other people relating to the research topic, however, the study used the questionnaires instrument to collect the primary data and documentary review to achieve the research goals.

3.4.1 Sampling Plan

Denzin and Lincoln (2000) describes that, sampling strategy as a technique process used in a population sampling in which the sample size from the population is selected which involve any of the sampling strategies. In this study a stratified sampling method was used to get 100 Airtel customers to be mailed questionnaires.

The stratified sampling formula used is as stated below;

Where,

N = Population size = 1000

N_i = Proportional size of the strata

$n = \text{Sample size } 10\% = 100$

$p = \text{Probability} = n(N_i/N)$

The sample size was ten percent (10%) 100 subscribers from the population of 1000 airtel subscribers who were divided into three strata of size $N_1=400$, $N_2=350$ and $N_3=250$ adopting proportional allocation, the sample size from each strata is as follows:

- a) $N_1 = 400$, $P_1 = 400/1000 = 0.4$, Ilala strata = $0.4 \times 100 = 40$
- b) $N_2 = 350$, $P_2 = 350/1000 = 0.35$, Kinondoni strata = $0.35 \times 100 = 35$
- c) $N_3 = 250$, $p_3 = 250/1000 = 0.25$, Temeke strata = $0.25 \times 100 = 25$

The sampling technique for this study was randomly done to 100 Airtel customers it was a reasonable number of subscribers to manage in this study. Whereas, 100 questionnaire were mailed to Airtel customers in the city of Dar-s-salaam randomly to three districts (strata) namely Ilala, Kinondoni, and Temeke. The timeliness, the large size of the population, inability of accessing to the entire population and reliability of the responds were the main constraints for collecting more data.

3.4.2 Questionnaires

Denzin and Lincoln (2000) described that, questionnaire is the set of questions that should be used by the researcher to capture most data that help to get the reliable data, the collection of data involved questionnaires with structured questions to Airtel customers were employed during the field work. The questions were fifteen

(15) which were generated basing on the specific objectives, and from theories used in the study.

3.4.3 Primary Data

Kothari (2004) define primary data as the data from the original sources collected directly by the researcher and have never been collected by anyone. Kind of data were collected by using questionnaires. The questionnaire was administered to Airtel customers only. The questions were focused to capture data related to objectives disabused from theories. The data collection was conducted with close follow up to customers received the questionnaire.

3.4.4 Secondary Data

(Kothari, 2004) defines secondary data as data collected and containing information for another purpose, the data are compendia compiled statistical statements and reports ready for researchers for their studies, the secondary data consists not only the published data but also unpublished records and reports, the most of the secondary data were collected through published journals on line and physical text books from openy library and other university and colleges.

3.4.5 Reliability and Validity of Data

The data are reliable if they are generalizable and consistent with methods and procedures from measuring instruments, often used to describe a test. This can either be whether the measurements of the same instrument give or are likely to give the same measurement test-retest, or in the case of more subjective instruments, whether

two independent assessors give similar scores. In short, reliability is the repeatability of your measurement, a measure is considered reliable if a person scores on the same test given twice is similar. It is important to remember that reliability is not measured, it is estimated. There are two ways that reliability is usually estimated test/retest and internal consistency. Kothari (2004) validity is the extent to which a test/ instrument measures what it claims to measure. It is vital for a test/instrument to be valid in order for the results to be accurately applied and interpreted. Validity isn't determined by a single statistics, but by a body of research that demonstrates the relationship between the test and the behavior it is intended to measure. It refers to the degree to which a test measures what it is supported to be measured, it is the extent to which a test measures what it claims to measure (Kothari, 2004).

3.5 Data Analysis Plan

3.5.1 Data Analysis

Quantitative data analysis was performed using SPSS 21 version in which frequencies and descriptive statistical and contingency tables of variables of interest were generated and analysis made. 60 frequencies of the respondents were analyzed using the simple analysis percentage model and tables on the three objectives examining promotion mix influence towards customers, loyalty, satisfactions and retention.

3.6 Chi-Square Model

The study used the chi-square testing model as suggested by Karl Pearson to use Coefficient of mean square contingency for studying association. The chi-square

model was used to measure goodness for fit for determining whether there is a significant difference between the expected frequencies and the observed frequencies in one or more categories(Kothari,2004)

3.7 Delimitation

Cassell and Symon (1999) stated that, the study must have the demarcation of the scope and dimension, the complete study of any phenomenon is very complex and difficult to manage. Therefore a research, should take a close view of the implications and dimensions of the selected problem and keep the scope of the study within the manageable limits i.e mind ability, time and resources.The sample of this study was limited to 100Airtel customers, the rate of response was sixty percent 60% who returned the questionnaires. The study was conducted in the city of Dar-es-salaam in three district namely ilala, temeke and kinondoni only.

CHAPTER FOUR

4.0 FINDINGS ANALYSIS, INTERPRETATION, DISCUSSION AND THEORIES COMPARED TO THE STUDY

4.1 Introduction

This chapter presents findings of the study. The chapter begins with presentation of the demographic information of respondents followed by the analysis and interpretation of results, the quantitative validity and reliability and the theory compared to the study. The study is organized in the form of research objectives. The hypothesis questions were answered by results obtained from analysed data .

4.2 Respondent Background Informatios

This sections shows information of respondent's background such as age, sex, educational status of the respondents and representative subscribers from earch strata.

Table 4.1 : Age Distribution of the Respondents

Age range	Response rate.	Percentage %
18-30	27	45
31-45	23	38.3
Above 45	10	16.7
Total	60	100

Source: Research Data, 2016

From table 4.1 above, 45%(27 respondents) are in the age of 18-30 years, about 38.3%(23 respondents) were in the age of 31-45 years. Finally, 16.7%(10 respondents) were above 45 years. From this data, it is concluded that respondents were at different age groups.

Table 4.2: Gender Distribution of the Respondents

Sex	Number of respondents	Percentage %
Male	37	61.7
Female	23	38.3
Total	60	100

Source: Research Data, 2016

Gender represents the ratio between male and female within an organization and in the society. It build social relations as it put workers at the center and ensures their participation in organization performance process. As indicated in table 4.2 which shows the gender distribution of the respondents about 61.7%(37 respondents) were male, moreover 38.3%(23 were female), from this data, it is concluded that most of the respondents were male.

Table 4.3: Educational Level of Respondents

Educational level	No of respondents	Percentage %
Below certificate	10	16.7
Certificate	15	25.0
Diploma	21	35.0
Degree	12	20.0
Master	2	3.3
Above master	-	-
Total	60	100

Source: Research Data, 2016.

From table 4.3 above, respondents showed that, most of the respondents were educated holding at least certificate level and just 16.7%(10 respondents) were below certificate. It is concluded that most of the respondents were knowledgeable enough to answer the questions effectively and make results reliable and dependable.

Table 4.4: Respondent Composition from Three Stratas

Status	No of respondent	Percentage
Ilala	35	58.3
Temeke	12	20.0
Kinondoni	13	21.7
	60	100

Source: Research Data, 2016

As indicated above, about 58% (35 respondents) came from ilala, moreover, 20% (12 respondents) came from temeke district and 22% (13 respondents) came from kinondoni districts. It is concluded that most of the respondents came from ilala in Dar-es-Salaam region.

Table 4.5: Length of Customer Hood with Airtel

In this section the researcher tried to show the time length that customers have stayed with Airtel.

Response		No of response	%
For how long have you been airtel customer?	1-5 years	20	33.3
	6-10 years	25	41.7
	Above 10 years	15	25.0
		60	100

Source: compiled from primary questionnaire: 2016

As indicated in table 4.6 above which shows the length of customer hood about 33.3% (20 respondents) replied that stayed with airtel for 1-5 years, on the other hand 41.7% (25 respondents) replied that stayed with airtel for 6-10 years. Moreover, about 25% (15 respondents) stayed with airtel for more than 10 years. According to this data it is concluded that most of respondents stayed with airtel for 6-10 years and therefore airtel should concentrate on customer retention promotions.

Table 4.6: Hearing and Liserning Airtel Promotions

Respondents were aseked if they have heard airtel promotions

Response	Object	of respondents	ercentage (%)
Have HHave you heard or lisernd any airtel promotions	Yes	58	96.7
	No	2	3.3
		60	100

From table 4.6 above, the majolty 96.7 % (58 respondents replied that they have heard and lisernd Airtel promotions, while the minolity 3.3%(2 respondentsreplied that they have never heard Airtel promotions.From the data analysis nearlyall airtel customer know airtel promotions. I recommend to airtel work aggressively on disrect marketin promotions which have positive impact to all acustomers. Respondents were askedon how they know that airtel is running promotion.

Table 4.7: Customers Awareness About Airtel Promotion

Response	Object	No of response	%
How do you know that airtel is running promotions?	Advertisement	17	28.3
	Sales promotions	18	30
	Personal selling	8	13.3
	Public relation	7	11.7
	Direct marketing	10	16.7
		60	60

Source: Research Data, 2016

As indicated above in table 4.7, About 30% (18 respondents replied that they know that airtel is running promotions through sales promotion. About 28.3%(17respondents replied that advertisement make them know that airtel is running promotions.Nevertheless, at least 11.7%,(7 respondents) of earch promotional mix said that they know that airtel is running promotion through public

relation, direct marketing and personal selling. It is concluded that many customers know that airtel is running promotions through sales promotion and therefore sales promotions need to be maintained and given higher weight.

Table 4.8: Type of Promotional Media

This section asked the respondents if they hear or listen Airtel promotion from any of promotional media channels and responded as follows:

Response	Object	No of response	%
Do you hear or listen airtel promotion through tv, radio, news paper, mobiles phones ?	Yes	52	86.7
	No	8	13.3
	Total	60	100

Source: Research Data, 16

As indicated in the table above, 86.7% (52 respondents) replied that, yes do they hear and listen promotion through tv, radio, news paper or mobile phones. Nevertheless, 13.3% (8 respondents said they don't hear or listen airtel promotions through tv, radio, newspaper or mobile phone. It can be concluded that many customers do hear and listen airtel promotions through tv, radio, newspapers and mobile phones. It is recommended that airtel should focus to other promotional channels not yet deployed.

Table 4.9: Influence of Promotional Mix on Customers' Satisfaction

This question was asked to know if promotional mix have influence on customers' loyalty and satisfaction

Response	Object	No of response	%
Do you think airtel promotions have any influence in relations to customers' satisfaction?	YES	42	70.0
	NO	18	30.0
	Total	60	100

Source: Research Data, 2016

From the table above, 70%(42 respondents) replied that promotions have influence to customers' satisfaction. On the other hand 30%(18 respondents) rejected that promotions has no influence to customers' satisfaction. From this data one could conclude that promotional mix influences customers' satisfaction but airtel should invest a lot on direct marketing promotion which reaches all customers at one time.

Table 10: Promotional Mix With Customers' Loyalty

This question aimed to know if promotions can retain customers and the respondents replied as follows:

Response	Object	No of response	%
Do promotional mix used by airtel make you loyal to airtel services.	Yes	40	66.7.
	No	20	33.3
		60	100

Source: Research Data, 2016

As indicated above in table 4.10, the respondent replied that 66.7%(40 respondents) agreed that promotions make customers' loyal and 33.3 respondents said that promotions don't make customers loyal. According to this data one could conclude that promotions influences customers' loyalty. It is advised that sales promotion and direct marketing promotion should be given higher priority because of its credibility to all customers for making them loyal.

Table 4.11: Airtel Promotions for Customers Retention

This question was asked to know if airtel customers do participate in promotions relating to customers' retention eg. Win a car, win a house and win millions promotions`!

Response	Object	No of response	%
Have you participated in any promotions related to customers retention e.g win a car, win a house, win millions and so on	Yes	45	75.0
	No	15	25.0
		60	100

Source: Research Data, 2016

As indicated above, the respondents replied that 75% (45 respondents) have participated in promotions relating to customers retention. On the other hand 25%(15 respondents) answered that they have not participated in such promotions. From the analysis above, it can be concluded that most of the customers are participating in airtel promotion relating to customers retention, however direct marketing promotion is an ideal promotion for customer retention and therefore promotions managers need to be proactive for strategising promotions relating with customers retention.

Table 4.12: Promotional Mix with Customers Retention

Response	Object	No of response	%
Do you think promotional mix have significant contribution with customers retention in mobile phone technology?	Yes	44	73
	No	16	27
		60	100

Source: Research Data, 2016

From table 4.12. About 73% (44 respondents) replied that promotional mix have significant contribution with customer retention in mobile phone technology industry. Furthermore 27%(16 respondents) replied that promotional mix have no significant contribution with customers retention in mobile phone technology industry. From this data, one can say that promotional mix have significant

contribution with customer retention in mobile phone technology industry.the current customer retention strategies should be improved and maintained for customer retention.

Table 4.13: Airtel Communication Tools Used for Promotion

This question was asked to know if customers are satisfied with how airtel communicates its promotions to customers?

Responses	Object	No of responses	%
Are you satisfied by the way Airtel is communicating to its customers by using the following tools: advertisement, sales promotions, personal selling, public relation and direct marketing?	Yes	42	70
	No	18	30
	Total	60	100

Source: Research Data, 2016

As indicated above in table 4.13 the respondents replied that 70%(42 respondents)are satisfied with airtel promotions communication. On the other hand ,30% (18 respondents) are not satisfied with airtel promotions communication. From the analysis above one can say that airtel customers are satisfied with airtel promotions communication, however , direct marketing promotion should be given priority for airtme subscribers who are easily and instantly receive information through their mobile phones and direct marketing will me subscribers satisfied, loyal and retained to the network.

4.3 Chi-Square Hypothesis Testing

Data analysis was performed using SPSS 21 version in which chi-square model was used to compute frequency and contingency tables of variables of interest and analysis made. In each thematic area frequencies and respective percentages were

computed and analysis made. Data from 60 respondents were analyzed using simple percentage model on the three objective on how promotional mix influence customer loyalty, satisfaction and retention. Further contingency tables were generated to show association of promotional mix with retention, satisfaction and loyalty. Chi-square test was used to test the three (3) hypothesis of this research at 95% confidence level (error probability, $p = 0.05$) and df 4 and the data collected on the key variables of hypothesis assumes Chi-square(χ^2) distributions. Under Chi-square test the principle is that if the significance (Sig.) is less than or equal to 0.05, then the variables are significantly related, if the significance is greater than 0.05, then the variables are not significantly related.

Table 4.14: Chi-square hypothesis test for customer Satisfaction

	Value	df	Asymp. Sig (2-sided)
Pearson Chi- Square	41.513	4	.000
No. of Valid cases	60		

The Chi-square value computed using SPSS version 21 was 41.513 (table above) at a degree of freedom 4 suggests that hypothesis #1 should be accepted because p-value is 0.00 which is less than 0.05. This means the relationship is statistically significant. The results have high level of integrity , data are accurate and the study is consistent within employed analytical procedure. Results are applicable and concluded that it is functional , creditable and trustworthiness therefore it is reliable and valid as per critical theory, positivism, constructivism, situation, time and population.

Table 4.15: Chi-square Hypothesis Testing For Customer Loyalty

	Value	df	Asymp. Sig (2-sided)
Pearson Chi- Square	25.715	4	.000
No. of Valid cases	60		

The Chi-square value computed using SPSS version 21 was 25.715 above at a degree of freedom 4 suggests that hypothesis should be accepted because p-value is 0.00 which is less than 0.05. From the above results, the study is transferable, confirmable and dependable externally and internally and the study has used soft science therefore the study is subjective, generalizable, exploratory, holistic, reliable and valid from the rigours context and positivism of the research study.

Table 4.16: Chi-square for Hypothesis Testing For Customer Retention

	Value	Df	Asymp. Sig (2-sided)
Pearson Chi- Square	27.865	4	.000
No. of Valid cases	60		

The Chi-square value was computed using SPSS version 21. Pearson Chi-square value as can be read from the table above is 27.865 at a degree of freedom 4 suggests that hypothesis should be accepted because p-value is 0.00 hence less than 0.05. The result has used soft and hard science methods and formal procedures which make results be confirmable, dependable and transferable and therefore the results are reliable and valid as per context, generalization, positivism, population, time and situation of the research study.

4.4 The Results of The Chi-Square Hypothesis Testing

From the chi-square hypothesis testing, H1 for customers satisfaction was tested, the chi-square (χ^2) value computed using SPSS 21 version was 41.513 at a 4 degree

of freedom suggests hypothesis should be accepted because P value is 0.00 which is less than 0.05. The chi-square (χ^2) was used to test the H2 for customer loyalty, the chi-square computed value using SPSS version 21 was 25.715 at a degree of freedom 4 suggests that H2 should be accepted because P.value is 0.00 which is less than 0.05. H3 was also tested by using the chi-square (χ^2), the computed χ^2 value using SPSS version 21 was 27.865 at a degree of freedom 4 suggests that H3 should be accepted because P value is 0.00 hence less than 0.05. The results for three hypothesis show that the relationship is statistically significant.

4.5 Discussion of the Findings

The findings have showed that customers satisfaction, loyalty and retention in the mobile technology are influenced by promotional mix used to promote the organization service or product. The findings imply that promotional mix success is the effective function of advertisement, sales promotion, direct marketing, personal selling and public relation. Moreover, the findings have shown that promotional mix use different media to communicate to customers such as news papers, email, tv, radio, outdoor ads and so on.

The findings are consistent with a study by (Omatayo,2012;Gaughan,2012) who have indicated that promotional mix such as sales promotions and advertisement are strong tools for customers satisfaction and loyalty in mobile phone industry. Therefore, this study has the same more or less similar findings that in order

customers be satisfied, loyal and retained in mobile phone competitive environment promotions should be exercised aggressively.

The findings have showed that promotional mix have positive influence to Airtel customers' satisfaction, the results have showed that customers are aware about airtel promotions and the majority of airtel customers have been participating to various promotions of customers satisfaction, loyalty and retention. The findings also showed that advertisement promotions are characterized by large coverage, a paid form ads, non personal communication and visibility through radio, tv. newspapers, outdoor, internet and yellow pages. Nevertheless, The study has showed that the majority of airtel customers believe that sales promotion is the best promotional tool for inducing customers and making them loyal and retained to the service operator. From sales promotion theory, sales promotions are offered to customers by using coupons, rebates, samples, sweepstakes, discounts, rents, and charges for the aim of inducing and satisfying customers. Furthermore, the findings have showed that personal selling promotions have its benefits for customer satisfaction, it is a two way communication between a buyer and seller, the sales person satisfies customers by answering the customers questions and the sales person can modify the questions to make the customer clear and satisfied. On the other hand direct marketing promotions make customers 'satisfaction and this is because, direct marketing sends information directly to customers, for direct marketing promotions relating to mobile phones users, make customers receive direct offers from the service providers, customers get information directly through their phones, e-mail and fax and customers are able to buy airtime, use internet, face book, whatsapp and sharing

information with friends directly through their phones and hence make customers satisfied, loyal and retained. Moreover, on promotions relating to public relations make the organization gain public image, corporate image and hence customers' satisfaction, loyalty and retention. Public relations deal with social responsibility such as supporting issues relating to health, education and environment for the purpose of influencing feelings, opinion and beliefs held by customers. So, by supporting the community or public, customers become satisfied with services and the service provider.

The study is supported by Dawn et al (2013) who did a study on the characteristics of effective sales manager and found that sales manager must be knowledgeable enough to make promotions successful. The findings also is consistent with study by Sultan (2010) who concluded a study on the impact of customer relationship marketing in the luxury retail market in Kuwait and concluded that mobile phones are luxury products which need effective promotions strategy for customers satisfaction and loyalty.

The study is consistent with a study by Thakur (2016) who conducted a study on understanding customer engagement and loyalty in mobile phone technology and concluded that customers engagement creastes customer satisfaction and retention.

The study is also consistent with the study with Lissit and Koyi (2016), who conducted a study on generation X versas generation Y for assessing on line shopping and concluded that generation X involve millennia subscribers who use mobile phones for internet uses and that on line shopping increase customers retention. The

study is also supported by Kuratko and Hodgetts (1990) who stated in their entrepreneurship theory that marketing planning involves promotion planning for determining a clear, comprehensive and effective promotion for customer satisfaction, loyalty and retention. The study supports Lamb et al (2012) who conducted a study on the influence of discounting announcements on consumer mobile promotion and concluded that promotions by giving discounts motivate many customers.

In addition, the study showed that sales promotions create loyalty to customers by receiving discounts on airtime tariffs, receiving bonuses, rebates and coupons. However, sales promotions give a chance nearly to all customers to participate in promotional platform undertakings. Moreover, advertisement promotions create loyalty to customers because of sending the message to the public at large and at one time through TV, radio and news papers which make many customers to have right information at the right time which creates customers' satisfaction and loyalty in mobile phones telecommunication. Furthermore, personal selling promotions make customers' loyal and satisfied by getting current information from sales persons in particular technical services and products. Sales persons are knowledgeable employees who have the ability to educate customers.

The findings noted that direct marketing promotions make customers keep updated through sms, phones, email, whatsapp and internet. On the other hand, the study noted that public relation promotions contribute to customers' satisfaction and loyalty due

to its influence on corporate social responsibility to the community and public at large.

The study is also consistent with the study by Molopa and Mkwanda (2011) who concluded a study on customer satisfaction and mobile banking and found that mobile banking increases customer satisfaction. The study is consistent with study by Stain and Ramaseshan (2016) who concluded that touch point element is the good strategy for personal selling to close sales deals. The findings is also consistent with promotional theory developed by Kotler and Keler (2006), who stated that promotion use advertisement, personal selling, direct marketing and sales promotion which have direct impact to customers satisfaction, loyalty and retention.

In same way, the study shows that most of the customers do participate in sales promotions in mobile phone technology which make customers' satisfaction and loyal. The findings has showed that retention is the product of customer satisfaction and loyalty which are influenced by good sales promotions, advertisement and direct marketing. Nevertheless, advertisements make subscribers up dated with organization promotion which creates customer retention. Moreover, personal selling promotion, make customers to clear doubts about the service or products before buying which influences customers retention. However, direct marketing in mobile phone technology is very powerful because it communicates direct to customers. Public relation (PR) theory believes that social status, corporate image, brand credibility, brand equity, brand congruent, quality services and brand communication have the most significant influence to customers' satisfaction, royalty and retention.

The study is consistent with the study by Lassk et al (2012) who conducted a study on the future of sales training and concluded that personal selling need sales persons be aggressive, objective, and ability to handle and solve problems. The study is also consistent with study by Kapai(2015) who conducted a study on determinants of customer satisfaction in mobile telecommunication industry in Kenya and found that sales promotions was positively correlated to customers retention. The study is also consistent with study by Narula (2016) who shows that sales training should emphasize promotions related to customers satisfaction and that green promotion for customer satisfaction is very important.

Other results (Cron et al,2013; Ashley and Tuten, 2015; Earl et al, 2015; Liang and Corkindale,2016) have showed that promotions and other factors motivate customers' satisfaction, loyalty and retention and showed that promotions is one of the key factors for customers' satisfaction, loyalty and retention. The study is supported by (Zeithaml et al 2006; Annet et al 2008) who stated that direct marketing promotions is the promotional channel which involves the use of e-mail, telephone, fax and messages to specific consumer to obtain a direct response. The study is supported by Robbins (2003) who mentioned four types of expectation to be promoted towards customer satisfaction, loyalty and retention which are ideal, expected, minimum tolerable, and desirable. The study is also consistent with study by (Ayyuda and Shiva 2013; Tingting and Zang 2015) who have concluded that revolutions of the email have facilitated promotions through social group interaction who share informations and influence on customers satisfaction and retention.

Lastly, the study is supporting the theory of McCarthy and Jerome, 1964, David, 2007, who have described that marketing planning includes promotions planning, therefore, promotional need strategic planning for accomplishing the organization goals.

4.6 The Discussion of Qualitative Reliability and Validity

The study used small sample with 60 respondents, it used also soft science by applying IBM SPSS version 21. The study is reliable and validity because the results are subjective, generalizability, transferable, dependability and creditability. Moreover the study used theories, hypothesis and scientific procedures.

4.7 The Discussion of Theories to the Study

Generally, it has been observed that, promotional mix theories discussed have showed that promotional mix are one of the key factors influencing customers' satisfaction, royalty and retention. (Brythe, 2009), in his theory of marketing stated that, promotional mix justify its ability to make the business compete and survive in the competitive mobile phones industry. (Kotler and Keler 2006), emphasized that promotional mix are good tools for customer satisfaction through out of the business life for cutomers retention and maximixing profit and make the venture elite. (Cuoghalan et al 2008), stated that marketing channels include direct marketing promotions, that, direct marketing influences customer satisfaction and loyalty due to its efficiency of delivering the message directly to customers. (Chaffey, 2009) described that e-commerce and e- business have increased effieience in business, that business can be done through email, e- banking, internet, facebook, whatsApp

and mobile phone.(Lovelock and Wirtz, 2007), describes that, public relation promotion satisfies customers after the organization supporting the community or public which creates customers' royalty and retentions. (Evans and Berman, 1986), in their theory explained that personal selling promotions normally use educated sales people who make effective sales plan for pre-a proach, presentation to closing sales which justifies customers'satisfaction, royalty and retention. Customers' retention is the product of customers satisfaction and royalty in the mobile phone technology. Customers' loyalty is created after using the service or product and keep repeating using the services. Promotional mix keep informing, reminding and inducing subscribers about the services or product attributes and its benefits and ultimately make customers satisfied, loyal and retained.(Still and Cundiff,2007).

CHAPTER FIVE

5.0 SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This study examined promotional mix influence towards of customers' satisfaction, loyalty and retention in the mobile communication. The background showed that mobile phone communication is growing very fast in the 21st century. The importance of the mobile phone technology is for economic growth in the world. In Tanzania, it is estimated to have populations of 48 millions people and about 65% equal to 32 millions people are mobile voice and data customers. Promotional mix are key determinants of customers' satisfaction and loyalty which have great influence on customers' retention in the mobile phone communication. Promotional mix are subset of marketing mix and the common promotional variables are advertisement, sales promotions, personal selling, public relation and direct marketing. Statement of the problem is why declining of Airtel customers in the mobile phones market?. Airtel Company limited was used as the mobile phones services technology provider as the case study, other mobile phones service providers in Tanzania are Vodacom, Tigo, Zantel, Sasatel, Halotel . TTCL and SmartTel.

The research literature review chapter discussed in detail the key promotional theories, empirical studies and the theoretical gap to the study which link the relationship between promotional mix and customers' satisfaction, royalty and retention in the mobile phone technology. Research paradigms which guide this

study are , descriptive, holistic, exploratory generalization, qualitative, quantitative, reliability, validity, delimitation, methodology interpretivism and theories. Questionnaires were used to collect data and the quantitative and qualitative model were used to analyze the findings and interpreting the results. The population was Airtel mobile phone customers, the sampling plan was a stratified sampling for 100 customers from Ilala, Temeke and Kinondoni districts in Dar-es-Salaam region, the respondents were 60 Airtel customers who responded the mailed questionnaires.

The study had three specific objectives; i) To examine promotional mix influence towards customers' satisfaction. ii) To assess promotional mix influences towards customers' loyalty. iii) To study promotional mix influences towards customers' retention. The research hypotheses stated three null hypotheses: i) ; promotional mix influence customers' satisfaction ii) promotional mix influence customers loyalty iii) promotional mix influence customers retention. Data collected were analyzed by using SPSS version 21. The chi-square (χ^2) test was used to test the three hypotheses. Methodology adopted interpretivism philosophy in this study. The scope and delimitation of the study was conducted within the region of Dar-es-Salaam in three districts, Ilala, Kinondoni and Temeke. The limitations of the study were constraints of time, finance and challenging from the research itself.

5.2 Summary of the Main Study Analysis

The findings reveals that promotional mix have statistical significant influence towards customers satisfaction, loyalty and retention in mobile communication,. The computed Pearson chi-square (χ^2) values using SPSS version 21 suggests that

the all three hypothesis should be accepted because P-values for H1, H2 and H3 were 0.00 respectively, hence less than 0.05 as indicated on the data analysis results. The results is because sales promotion is effective at changing behavior in short run and it is very flexible. Sales promotions use discounts, offers, contests, rebates, coupons, samples and sweepstakes which induce and make customers satisfied and loyal. Nevertheless, promotions by advertisement is efficient by reaching large number of people at one time, advertisement inform the market about promotion which is available and how to participate to such promotions, advertisements shows how the firm is reliable to customers and make customers satisfied and loyal.

On the other hand, personal selling promotions enables immediate feedback, very persuasive, it can select the audience and can simplify complex information. Personal selling make effort of educating customers face to face or on line communication which increases the customers assurance and empathy and retention. Futhermore, direct

marketing promotion enables the message to be prepared quickly and facilitates relationship with customers. Direct marketing make customers receive informations and any award directly at the right time, direct marketing enable the majolity of customers to participate on line promotion easily. Direct marketing shows reliability and creates customers loyalty. Moreover, public relation promotions is often most credible source in the customers mind, public relation support the community or public socially, economically, politicaly and so on, all this promotions technics make customers satisfied, loyal and retained to the service provider.

5.2.1 Conclusion from the Findings

The findings have showed that customers 'promotional mix' have influence towards customers' satisfaction, loyalty and retention in the mobile communication industry. The findings and analysis were done on three modeled hypothesis, aiming to examine promotional mix influences towards customers' satisfaction, loyalty and retention in the mobile phone telecommunication. The findings have statistically accepted the study that promotional mix have influences towards customers' satisfaction, loyalty and retentions in the mobile communication industry.

5.3 Chi-square Hypothesis Testing Summary

This section presents findings in brief as presented, analyzed and discussed in chapter four, it is a brief summary of answers to the hypothesis questions.

From the personal chi-square value for H1, H2 and H3 were 41.513, 25.715 and 27.865 respectively while number of respondents were 60, the P-value for H1, H2 and H3 were 0.00 less than 0.05 which suggested to accept the hypotheses of the study.

5.4 Conclusion

Promotion is one of the marketing 4ps or marketing mix, others are price, product and placing. The mobile phone communication industry is very competitive which make promotions to be one of the key issues in marketing activities. Promotions need to be flexible and not static. Promotional manager need to be also proactive for reacting to other promotions launched by competitors in the market. Promotion is

about communicating with customers, it is the way of delivering information to the market so that they make decision to purchase a product or service. The findings and analysis were done on three hypotheses, the results statistically revealed that, promotional mix have positive influence towards customers' satisfaction, loyalty and retention. Therefore, promotions are creditable, dependable and reliable at different context, situation, time and population in mobile phone communication industry

5.5 Recommendations

5.5.1 Specific Recommendation

Airtel should concentrate with direct marketing promotions which deliver promotional informations directly to spesfic customers, but also ^{mobile} phone technology is selling airtime, direct marketing promotion is ideal promotion in mobile phone technology for customers satisfaction, loyalty and retention.

5.5.2 General Recommendation

It should be noted that promotions are statements combining concepts and are modeled into different things such as brands, colors, logs, name, person, group, association or company. It is the fact that promotional mix are key factors for customers' satisfaction, loyalty and retention. without promotions no business can survive, because it can't be known by the targeted audience. Besides, promotional theories, traditional promotions are modeled in the form of testing, using, torching or stories from the experienced people. Therefore, marketing managers should keep promoting their businesses, for influencing customers' satisfaction, loyalty and

retention. Moreover, Airtel business managers, marketing managers and promotional managers should be creative and aggressive for strategic promotional mix which can influence customers satisfaction, loyalty and retention. From this study, it is recommended to Airtel business decision makers including promotional managers to take deliberate effort to continue promoting its services aggressively for the intention of making their business to grow. Moreover, business managers has to know that, the content is a KING and the context is a QUEEN. The concrete message to any promotional channel should be clear to an average person to understand the meaning of it instantly.

5.6 Limitations

The limitation that faced the researcher on the cause of the study was constrains, other people refused to respond because of sheer intuition or empathy in conceptualizing in anthropomorphic manner. The time, it was not enough to carry out the thoroughly detailed research with large sample in the country. Lastly, the financial constrain was a problem while conducting this research.

5.7 Recommended Research for Future Studies

This study examined on how promotional mix influences customers' satisfaction, loyalty and retention on mobile phone technology. Considering literature review across the world, promotional mix have been very influential and therefore considered a vital importance to have a study on customers' satisfaction, loyalty and retention in the mobile phone technology but did not cover all customers and other influential factors due to limited time to gather the data. Secondly, research did not

have enough resource to correct data all over the country. It is now the time for other researcher to research on the following:

- a) Conduct a study on factors which influence customers' satisfaction, loyalty and retention in mobile phone technology in Tanzania.
- b) To conduct a study on comparison between promotional mix influence and other determinants of customers' satisfaction, loyalty and retention in mobile phones technology in Tanzania.

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APPENDIX

RESEARCH QUESTIONNAIRE FOR AIRTEL SUBSCRIBERS

I) Introduction

Good day, Sir / Madam. This is a research questionnaire for the completion of Master of Business Administration of The Open University of Tanzania which aims at collecting data for thesis on *“To examine promotional mix influence towards customers’ satisfaction, loyalty and retention in mobile communication”* May I please use a few minutes of your time to ask you some questions? The interview should take about **10 - 15 minutes** to complete. I want to ensure you that the interview will be treated with the strictest confidence and that all information given to me will be used for research purposes only.

ii) Respondents Personal Information and research questions

Answer by putting a tick in the box provided and give explanations where required.

Please do not print your name.

Instruction: put (x) mark in the box for cloze ended questionnaires.

I would like to thank you in advance for your cooperation.

1. Sex male female

2. Age 18-30 31-45 above 45

3. Educational levels

Below certificate Certificate Diploma Degree

Masters Above MA

iii) **Research questions**

4. For how long have you been Airtel customer?

1-5 years 6 years 6-10 years Above 10 yrs

5. Have you heard or listened Airtel promotion?

Yes No

6. Do you hear or listen airtel promotion through tv,radio,newspaper or mobile phones?

Yes No

7. Do you think Airtel promotions have influence in relation to customers satisfaction?

Yes No

8. Do you think promotional mix used by Airtel make you loyal customer?

Yes No

9. Have you participated in any promotion related to customers' retention eg. Win a car or win a house or win millions promotions? Yes No

10. How do you know that Airtel is running promotions ?

Advertisement Sales promoions P/ Selling

Direct marketing Public relation

11. Are you satisfied by the way Airtel is communicating to its customers using its promotional tools e.g Adverisement, personal selling , direct marketing, sales promotions and public relation? Yes No

12. Do you think promotional mix have significant influence with customers retention in the mobile technology industry? Yes No

Thank you for your cooperation