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THE EFFECTIVENESS OF DIFFERENTIATION STRATEGIES ON COMPANY PERFORMANCE. A CASE OF GTEL ZIMBABWE

SUBMITTED BY

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I, the undersigned do acknowledge that the above student has consulted me for supervision of
her research/ dissertation until completion. I therefore do advise her to submit the work for
assessment.

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DEDICATION

I dedicate this research to my beloved family. They have been a pillar of strength throughout the process and have been providing mutual support. Above all, I dedicate this research to the Almighty God for guiding me all the way.

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ABSTRACT

The research aimed at determining the effectiveness of differentiation strategies on company performance investigating. Due to the intense competition faced by Gtel and the flooded mobile market , the researcher saw it fit to propose the implementation of differentiation as a strategy that will help the company to upgrade and revive company performance. The research objectives were to find out if product differentiation affects competitive advantage, to determine if personnel differentiation affects customer satisfaction and to find out if customer service differentiation influences repeat purchases. The concept of differentiation was discussed to give an overall introductory insight to the research. Various opinions of authors have been reviewed with an objective of getting a clear understanding of the research objectives. Exploratory and descriptive research designs were used to search for information relating to differentiation strategies. Primary and secondary data sources were used for the research. Questionnaires and interviews were used to collect primary data. The company sales reports, yearly journals and customer database were used as a secondary data source. A target population of 460 was used and then a sample size of 92 was drawn constituting of customers and employees. Convenience and judgemental sampling techniques were used in this research. The collected data was presented using different pictorial illustrations such as tables, pie charts and graphs. Analysis of data was done using the results collected and discussion of the findings were made putting other authors' views into consideration. The researcher drew conclusions from the findings for each objectives and the differentiation concept as a whole and different views of authors were used. The researcher went on to give recommendations to the company on the basis of the information gathered and reviewed literature as well as recommending areas of further study.

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CHAPTER ONE

GENERAL INTRODUCTION

1.0 Introduction

In this chapter the researcher discusses the background of the study which aims at discussing the problem that triggered the research, research objectives which explain the reasons why the research was carried out, research questions, significance of the study, assumptions, delimitations and limitations of the study.

1.1 Background to the study

Johnson (2008) says that a differentiation strategy aims to provide products or services that give benefits that are unique from those of competitors and that are widely valued by buyers. The chief objective of using differentiation strategy is to gain competitive advantage. Differentiation must be based on two key factors: the strategic customers, the company has to identify their needs and what they will value, and also on the key competitors, to be different, the company has to identify against who it is competing against. Rahman (2011) says differentiation is a competitive business strategy whereby firms try to gain a competitive advantage by increasing the perceived value of their products and services in comparison to the perceived value of other firm's products and services. According to Kotler and Keller (2007) there are different differentiation strategies that can be used to differentiate and these include product differentiation, service differentiation, personnel differentiation, channel differentiation and image differentiation. A differentiation strategy involves the firm creating a product/service, which is considered unique in some aspect that the customer values because the customer's needs are satisfied fully.

Cohen (2004) carried out a research on differentiation strategies and the study focused on the banking services sector in the U.S. The results demonstrated great connections amongst banking branches, competition and product differentiation.
 Baykal (2011) also carried out a research on the effectiveness of differentiation strategies in fighting competition and mainly focused on the fashion and textile industry and the research

was done in Paris, France. The study aimed at identifying differentiation strategies that would attract customers.

Dirisu et al (2013) also conducted a research on the differentiation strategies but mainly focused on product differentiation as a tool for competitive advantage and optimal organisation performance. The study was carried out in Nigeria for the Unilever Company. The study established that management should put additional efforts and pay more attention to product differentiation as it is an important tool for achieving competitive advantage which leads to greater organizational performance. Product differentiation appears as a critical driver for organizational performance, which could execute the role of a bridge that links the positive impact of customer satisfaction to organizational performance. The research brought out that management should focus and invest more on product differentiation as it could be used as a key competitive advantage tool against competitors in the industry and it is capable of guaranteeing the long term survival of the organization.

Therefore this research aims to determine the usefulness or effectiveness of differentiation strategies when implemented in the Zimbabwean market environment particularly in the mobile phone industry. This research comes at a time when the mobile phone industry is flooded with almost similar products and the difference is only denoted by the brand name. The focus will be on GTEL Zimbabwe which is a local mobile phone brand and the effectiveness of differentiation strategies will be measured against the overall company performance with particular attention being paid to customer satisfaction, repeat purchases and competitive advantage. The study aims to see if differentiation strategies are of any significance in terms of competitive advantage, customer satisfaction and repeat purchases.

Gtel Zimbabwe has been affected negatively by intense and aggressive competition in the industry. This problem is mainly attributed to globalisation and international marketing which has seen international brands such as Nokia, Samsung, Sony, LG, Apple, Huawei, Blackberry etc. dominating the market. This fierce competition has seen Gtel losing market share and sales due to customers switching to other brands. The internal company journal shows that customer database used to increase annually but the past four years have recorded a downfall with 2013 recording the worst figure showing that there were a few new customers and an insignificant number of repeat purchases to boost overall sales. The company has a daily

target for each branch to sell 10 phones on credit and 5 phones on cash basis but these targets have hardly been met.

YEAR	2011	2012	2013	2014	2015
SALES UNITS	2679	2450	1980	2140	2053

TABLE 1.1 Sales Trend

SOURCE….Table extracted from Gtel Gweru Internal records.

Gtel has put a number of measures to curb its continual loss in market share and amongst these measures is sales promotions courtesy of network providers such as telecel and netone. They also do swap and top method to retain customers who have damaged phones they have no spares for but all these strategies are yielding insignificant results. The researcher suggests that differentiation strategies might produce results that bring Gtel back on the map since consumers are now perceiving all mobile phones to be the same therefore this research aims at finding out the effectiveness of differentiation strategies on the company's performance.

1.2 Statement of the problem

Gtel's continual loss in sales and customer database as shown in the background has greatly affected its overall performance. It is also evident that all the efforts put have failed to attract new customers nor retain those that were already customers. These myriad challenges are driving Gtel towards an unfavourable company performance. How best can Gtel fight this competition and restore its favourable company performance?

1.3 Research Objectives

This research aims:

- To find out the effects of product differentiation as a source for competitive advantage.
- To determine the role of personnel differentiation on enhancing customer satisfaction.
- To find out if customer service differentiation influences repeat purchases.

1.4 Research Questions

- Can personnel differentiation enhance customer satisfaction?
- Does customer service differentiation influence repeat purchases?
- Can product differentiation be a source for competitive advantage?

1.5 Significance of the study

1.5.1 To the Researcher

- The researcher gained so much from the research process as she gained more research skills, these research skills earned in the research activity are an advantage in the future researches she plans to undertake.
- Communication skills were also enhanced through the interaction with the consumers and employees in order to get information.

1.5.2 To the firm

- The company will benefit from feedback from the customers, and employees to improve on the negative performance that had encroached the organisation. This may help them identify the gaps that need to be worked on to restore the favourable performance in terms of sales and market share.
- It may also help them realise that differentiation strategies will keep them a level ahead of their competitors.

1.5.3 To the University

- The university will benefit from the research since it may gain new knowledge on how differentiation strategies can benefit organisations.
- The university can use this research as secondary data. The research can be uploaded on eLearning for other students to access it
- The university can also use it as an assessment tool for the researchers' degree class as it is mandatory to finish the project.

1.6 Delimitations

- The research only focused on Gtel Gweru branch.
- This research had a target population of 460
- Only 3 strategies of differentiation were looked at that is product differentiation, personnel differentiation and customer service differentiation.

- The research period was from September 2015 to September 2016.
- The research data is based on the information of 2011 to 2015.

1.7 Assumptions

- Gweru customers are a representative of all the Gtel customers in the whole of Zimbabwe.
- Employees from the Gweru branch are a representative of all Gtel employees.
- The use of questionnaires and interviews as research instruments was appropriate to find out if product differentiation, personnel differentiation and customer service differentiation have an effect on company performance.
- The researcher used questionnaires and interviews and a sample size of 92 which was sufficient to gather information relevant to come up with a conclusion on the effectiveness of differentiation strategies on company performance.

1.8 Limitations

- The study was only limited to Gweru customers and employees yet Gtel has customers and employees around the whole of Zimbabwe.
- The researcher was faced with unwillingness of some employees to participate due to fear of the unknown however I assured them that the information collected will be used for academic purposes only.
- The problem of language was also a limitation as some could not get the questions on the questionnaires; they were not literate enough to interpret English and some respondents interpreted the questions wrongly. A variety of language options was provided that may include English, Shona and Ndebele to cater for all the customers and employees.

1.9 Chapter Summary.

The chapter provided information on the background of the study, statement of the problem and the research objectives and the research questions, limitations of the study and assumptions. The next chapter will review literature on the effectiveness of differentiation strategies on company performance particularly paying attention to the research objectives.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

In this chapter literature was reviewed on the effectiveness of differentiation strategies on company performance. This chapter involves evaluations of a collection of articles, books, dissertations that were written with reference to the disciplines related to the topic under current study.

2.1 The concept of Differentiation.

The term differentiation was defined by Kotler (2005) as the process of adding significant and valued modifications to distinguish a product or any market offering from competition. Johnson (2008) supports this notion, a differentiation strategy aims to provide a market offering that offers advantage, features and benefits that are distinct from those of competitors and the features are widely appreciated by buyers. Differentiation strategy seeks to achieve competitive advantage over the competitors. A differentiation strategy should be on the basis of two important key factors: the customers, the organisation has to research on their needs and what they will consider important, and the other industrial players, to be distinct from the rest, the organisation has to know who it is competing against. Kotler and Johnson are both in agreement that the differences should be of value to the buyers not just mere differences.

Hines and Bruce (2007) also postulate that differentiation is having a unique market offering and the way in which the product is presented on the market should also be differentiated in some way. It is not enough for the organisation to have a good, fashionable and trendy market offering, the organisation must make extra efforts to reach out to the customer and put the product on the market in an attractive manner. However this may be one of the organisation's biggest challenges because of an undisputed reason that the consumer gets an overwhelming amount of information concerning product news courtesy of different organisations.

Kotler & Keller (2007) also concluded in agreement saying that having the best product is not enough to yield leverage over the competitor but the product needs to be offered to the market in a suitable, reliable and convenient manner.

Even if most organisations are selling almost similar products or services, the consumer decides to buy it only in one of them, and the differentiation strategy will be the determinant criterion and this is the reason why differentiation has become so important. In support of the importance of differentiation is Armstrong and Kotler (2010) who say, in order to create competitive advantage an organisation must differentiate in a way not to be forgotten by the costumers or remain unidentified on the market.

Differentiation strategies are there in order to bring companies competitive advantage. In order for organisations to understand why they should differentiate, it is crucial to understand what competitive advantage is and how it comes about. The main objective of differentiation strategies is to lure new customers and retain the current customers. To create differentiation strategies which will attract a significant number of customers, the organisation has to first identify who their strategic customers are, and make an effort to understand when and how differentiation influences their decision-making process. Differentiation is also implemented when an organisation wants to distinguish itself from its competitors. It is therefore important for the organisation to identify who its key competitors are, and what it means as far as survival is concerned. Kotler & Keller (2007) say that there are different differentiation strategies an organisation can choose from. The authors say an organisation can distinguish itself on the basis of product differentiation, service differentiation, personnel differentiation, channel differentiation and image differentiation.

2.2 Using product differentiation as a source for competitive advantage.

Haarla (2003) postulates that an organisation is said to have a competitive advantage when it makes use of a value creation strategy which is not concurrently being used by any of the current or potential competitors. An organisation has a long term viable competitive advantage when other competitors are not able to copy it or it proves to be too expensive to to duplicate.

On the basis of a resource-based view of the strategy, an organisation's resource should be valuable, able to exploit opportunities and or neutralising threats, should be rare, imperfectly

imitable and there should be no comparable substitutes for this resource in order to be sustainable.

As globalization and international marketing leads to more aggressive competition among organizations and an increase in customer demands, organizations often try to find competitive advantage through the production of products with enhanced and unique features such as quality, flexibility and reliability. As such, product differentiation strategy would give greater scope for these organizations to produce products with more valued and desirable features as a means of coping with such demands. Differentiation is a marketing philosophy which was put forward by Edward Chamberlin in 1933 for the Monopolistic Competition Theory. Product differentiation is the process by which a product or service is made different from other competitors' products or even the organisation's own products by making it more appealing to a certain target market. The differentiation can be created through the product itself and the key sources of differentiation for products are differences in the product's functional aspects, differences in the quality and differences in price that is according to Hoyle (2005).

Dwivedi (2006) adds on to the aspect of pricing differentiated products through the conclusion that the objective of differentiation is to bring out that the product is unique and therefore it is of great value to most consumers. Instead of differentiating a product only on price factors, the organisation can also distinguish its products through non-price factors. This will give the organisation competitive advantage, and, to benefit from the advantage, the organisation can promote the product basing on the distinctiveness of its product and this will be the unique selling proposition. When the customer comes to an understanding that the product is different in a valuable manner from that which the competitor is selling, this will improve the brand preference and loyalty. This is the main objective of product differentiation, to make the customer loyal to the brand. This will give the organisation the liberty to change the prices of its products.

Mishra et al (2006) add on to the concept of product differentiation when the authors give dimensions of differentiating the product on. The strategy can be done through price, form, features, customisation, performance, quality, durability, reliability, reparability and style. The authors go on say there are two kinds of product differentiation which are horizontal and

vertical. Horizontal product differentiation is on the basis of product characteristics, but the quality is not the same. It is when different products are sold at the same price but consumers do not perceive them to be at the same level of quality. Vertical product differentiation is on the basis of characteristics and the quality difference can easily be denoted.

It is the opposite of horizontal differentiation. In the case of vertical differentiation, consumers evaluate products which are sold at the same price, as being the same level of quality.

 Raduan (2009) pointed out that there are several objectives a company aims to achieve, but the two most important ones are to gain a competitive advantage position and to improve the company's performance relative to that of competitors. Morgan et al (2004) measured differentiation advantage by higher product quality advantage. The approach is now greatly appreciated and adopted by many organizations in order to produce products that satisfy most individual customer's needs. Shammot (2011) adds on to the positivity of this approach saying that in satisfying individual customer's needs, quality has become a key differentiating factor among products. As a result, customers are willing to pay more for products that cater to their individual size, taste, style, need or expression.

 Ferrell and Hartline, (2010) also added on to say that, product differentiation plays a major role in an organisation's marketing strategy and it is important to keep ahead in competition. The differentiation strategy will probably incorporate diverse attributes like quality and price, which helps in motivating and driving the potential customers to perceive the product as desirable and distinctive as compared to the competitors' offering. Differentiation strategy aids in marketing the products to stand out in a crowded and flooded market place and it is a noteworthy strategy to implement, especially if the products are almost similar to that of competitors. An appropriate differentiation strategy gives the customer a good reason to buy a product by pointing out subtle or less evident differences or advantages that customers or buyers may not be aware of. Product differentiation strategies have become a crucial factor in designing a strong image in the market. By differentiating the products, an organisation can give high end value to its customers and valuable features that the consumers are searching for.

This strategy allows an organization to gain competitive advantage in the market place and can compete with basic goods and provide the best to customers in comparison to other competitors. Roberts and Inman,(2007) also support all the above authors when they posit

that customers desire for differentiated products as it helps them to make a purchase decision and get a product or service with modified features, higher values and ease in handiness that drives consumers to buy a product or service. Organisations incorporate various ways to make a product look more attractive and unique in its quality with other competitor's goods. The effective strategy for differentiation builds a competitive advantage for a firm as customers see the products as of higher quality and different in nature.

Iiyoung (2013) mentioned that product differentiation is an important marketing strategy for long term product success. Product success is measured by the products ability to meet and exceed the customers' needs and expectations. If marketers conduct product differentiation strategy successfully, they are able to achieve long term competitive advantage. This competitive advantage gives the product the ability to consistently attract buyers. It can therefore be concluded that product success often depends on how well a product is differentiated because differentiation is significant for gaining long run sustainable product and brand power. Iiyoung came up with the following as the advantages of product differentiation: competitive advantage, overcoming market barriers, reduced price sensitivity, avoiding direct competition and creation of customer loyalty. Pride and Ferrell,(2012) put forward that product differentiation strategies are of greater use whenever buyers' needs and preferences are too many to be satisfied by a standardized product. A successful differentiator researches and analyses buyers' needs and behaviour carefully to get to know what they consider essential and valuable. Then the differentiator incorporates one or several of those features into its product or service to stimulate buyer preferences for its brand over the brands of rivals. Competitive advantage is realised when a significant number of buyers become greatly attached to the attributes of a differentiator's product offering.

Successful differentiation allows a firm to charge a premium price for its product, sell more units because additional buyers are won over by the differentiating features, gain greater buyer loyalty to its brand because some buyers are greatly attracted to the distinct features. Differentiation positively influences profitability whenever the extra price the product commands outweighs the costs of differentiating it. Here is where having core competences becomes a major competitive asset. When an organisation has skills and expertise that competitors cannot match easily with; it can use them as a base for successful differentiation. Differentiation is most likely to produce an attractive, longer-lasting competitive edge if it is based on technical superiority, quality and more value for money. Such differentiating

attributes are harder for rivals to copy quickly and profitably in most instances. Differentiation is unsuccessful when consumers do not value the additional features highly enough to buy the product in large and profitable quantities. This view from Pride and Ferrell (2012) accounts for the fact that product differentiation does not automatically give competitive advantage but is of advantage when customers value the differentiation and when the price of the final differentiated product exceeds the cost of producing it.

Conklin et al (2009) also support that product differentiation provides some buffer strategies because buyers become loyal to the brand or model they "like best and often are willing to pay a little more for it. In addition, successful differentiation sets up entry barriers in the form of customer loyalty and uniqueness that newcomers find hard to overcome, mitigates the bargaining power of large buyers since rivals' products are less attractive to them, and helps a firm neutralise off threats from substitutes. If product differentiation permits a firm to charge a higher price and boost profit margins, it will be in a greater position to withstand powerful suppliers' determination to raise their prices. Successful differentiation creates lines of defence for dealing with the competitive forces. As a rule, differentiation strategies work best in circumstances where there are various ways to differentiate the product or service and many buyers perceive these differences as valuable, buyer needs and uses of the item are diverse, and few or none rival firms are following a similar differentiation approach. Conklin et al approach to differentiation support the above literature since the authors do not just mention product differentiation strategy as a way of achieving competitive advantage but provide the conditionality for a successful product differentiation strategy.

Dirisu et al (2013) in an empirical study also concluded that however little the significance product differentiation holds in relation with organizational performance, the fact remains that there is a positive relationship between the variables. This means that manufacturing organizations must pay greater attention to the products the manufacture in terms of quality design, innovations and unique features.

Finally, firms in the manufacturing sector face domestic and international competition in addition to rapid shifts in customer demands whereby many manufacturing firms have come to realize that to remain viable, a strategy of product differentiation may be a more viable option than strategies based on efficiency and price Spencer et al (2009).This research study further demonstrates that product differentiation could be used as a tool for achieving competitive advantage and enhancing greater organizational performance.

Meehan (2004) however has another school of thought through critics for the concept of product differentiation .The author argues that that products have become alike, and only insignificant functional differences exist among similar product categories in the market.

As a result, it becomes more difficult for organisation to distinguish their products through differentiation from their competitors. Consumers do not see much difference when a product is compared to other products in the same category. Different or unique product image or values do not need to be present in order to appeal to consumers. Barwise and Meehan (2004) also supported the above notion when the authors claim that marketers should focus on delivering information that matter to consumers regardless of whether they have a unique market offering or not. An organisation does not need to put effort on seeking differentiators to convince consumers since consumers may think those differentiators are not of importance to them. Romaniuk et al., (2007) also support the above notions mentioning that without differentiating factors and not having any unique points, products can be successful since consumers perceive products and services as similar to each other.

According to Ehrenberg et al (2002) products need to be salient to customers so that they can easily identify a certain product in a purchasing situation. Romaniuk and Sharp (2002) defined salience as the presence and richness of memory linked to certain products or brands that consumers can bring to purchasing situations. Salient brands or products can be effortlessly recognised and stay in a customer's consideration set. Competitive brands and products are usually not expressively different or unique in comparison to other similar brands in the same class because if a certain brand does some innovative differentiating, other competitors can simply copy the innovation to counter what the organisation thought was giving them a competitive advantage.

Kedera (2015) also argues that there is of course no guarantee that differentiation will give a meaningful competitive advantage. If buyers see little value in uniqueness that is a standard item meets their needs, a low-cost strategy can easily defeat a differentiation strategy. To add on, differentiation can be overpowered from the outset if competitors can rapidly imitate any attempt at differentiating. Rapid imitation implies that organisations never achieve real differentiation because competitor brands keep changing in similar ways despite continuous efforts to create uniqueness. Therefore to be successful at differentiation, an organisation

must look for durable strategies and sources of uniqueness that cannot be rapidly or cheaply imitated by competitors.

Aside from these concerns, other pitfalls include differentiation on the basis of something that does not lower a customer's cost or improve a customer's well-being as perceived by the customer, over differentiating so that the premium charged is too high relative to competitors or product quality or service levels exceed customer's' needs, the bigger the premium, the more buyers can be lured away by lower-priced competitors and ignoring the need to signal value and depending only on tangible product attributes to achieve differentiation as well as not understanding or identifying what buyers consider as value.

The above discussion clearly shows that product differentiation certainly brings about competitive advantage but there are certain parameters within which the strategy should be done. It can also be concluded that product differentiation is a powerful way of fighting competition and it also aids in building brand loyalty. It is also evident that companies have a lot to gain if they embrace product differentiation as a competitive advantage source. It should also be noted that the cost of differentiating should not be above the value that the customer perceives. Product differentiation should be unique and difficult to imitate so Research and Development should constantly look for new ways to be different in order to avoid competitors imitating their strategies. When competitors duplicate a company's differentiating strategy it loses value and ceases to give any competitive advantage.

2.3 The role of Personnel differentiation on enhancing customer satisfaction.

Nowadays, on a market where technologies, systems and products are easily replicable by competition, organisations should divert their attention and focus more on the people for a long term superior performance. They have to be reactive, flexible and responsive to more demanding and changing customers' needs. Hence, companies should concentrate their efforts on training their staff. Armstrong (2005) the sales force is one of the major components of the commercial team of an organisation. The sales force is responsible for the commercial activities with prospects and customers and they are the ones who are in direct with the customers. They thus represent a powerful source of revenues because they have a great impact on the organisation's success. Service quality greatly depends on the way it is delivered to the consumer.

The more training and differentiation the sales force gets, the more the chances of customer satisfaction. Better trained personnel are willing to listen to the client's expectations and well listened to customers are usually satisfied and willing to comeback.

McKaskill (2011) defines Customer satisfaction as the relationship link between performance and expectation. Customer satisfaction efforts are considered to be strategies that many organisations use in fighting competition. Customer satisfaction can be established on its own without any effort, but it generally requires work and careful planning. Customer satisfaction is a competitive source and the competitive advantage gained from customer satisfaction is difficult to imitate for other organisations, particularly if the organisation puts a lot of effort into their strategies for achieving customer satisfaction through personnel than their competition. If the organisation's personnel have exceptional personal chemistry, empathy, helpfulness and they can offer other pleasant gestures towards the customers that are difficult to copy for other organisations they become a level ahead. Even the ability to apologize or react correctly to negative feedback can indicate a sense of professionalism to the customer and that the customer is taken seriously. For many organisations the situation nowadays is that their core competence needs to be developed into a service offering to develop their competitiveness and that the offering consists of all the value creating items that customers expect .The key to achieve sustainable advantage lies in delivering high quality service that results in satisfied customers .

Customer satisfaction has been identified as a crucial indicator of organisational competitiveness because it has a positive relationship with customer loyalty and profitability. Ngahu (2001) mentioned that some other reason to become customer oriented is to build market share. Research indicates that you cannot sustain market share with unique product features alone, since your competitors will follow suit. Sustainable market share growth is gained through loyal customer who come as a result of dedicated and differentiated personnel. To be customer driven means to position customers at the heart of your operations and to let their needs guide all your decisions, policies and strategies. According to Zike (2001), in an empirical study of what makes an organisation outstanding, the author interviewed 43 high performing organisations with the objective of discovering what makes them so successful in an increasingly altering environment where many organisations are closing down. He found out that all high performing organisations share a set of general operating philosophies, some of which emphasized customer oriented service. The author

found out that excelling companies provide unparalleled customer service, quality and reliability through personnel. Moreover these organisations exhibit great commitment to customer satisfaction through employees who know the reason for their existence. The customer is the reason why most business exist.

Kotler (2000) posit that organizations try to distinguish themselves to gain a competitive advantage through better-trained personnel who can serve the customers in a satisfactory manner. Gerber and Bothma, (2008) add on to say there are a few skills that staff members should develop to provide the best service quality and these are developing knowledge, experience and qualification ,being adaptable to the changing technology and improving patience, tolerance and empathy. Moore and Pareek, (2010) however say that, but nowadays these characteristics are asked to most of the workers, so to differentiate themselves from other organizations, companies should also ask their workers to be trustworthy and responsive, to be reliable and courteous ,to be competent and dedicated to give a human face to the organisation. To be sure to have the best staff, companies should spend a large amount of money in recruiting the right candidate. Wilson et al (2008) goes on to say a major role of personnel management is the recruitment and retention of valued personnel who are able to deliver satisfaction. In order to deliver customer satisfaction through people organisations should pay particular attention to their recruiting and hiring strategies. This view is also supported by Chamak and Fromage (2006) who posit that organisational performance is conditioned by its ability to hire good employees.

According to Johnson (2006) a lot of literature draws connection between the attitudes of personnel towards the organisation and towards customers. Numerous researches support the notion that employees with favourable attitudes give better customer service, and in most instances, improve the quality of customers' experience. The negative attitude of employees toward the organisation were said to be lessened by giving them training and career development programs so that they will also pursue their personal ambitions and recognize an opportunity for personal development in the organisation. Training naturally involves providing employees the knowledge and skills needed to do a particular task or job, though attitude may also be attempted Dessler, (2011). If employees have full product knowledge and skills needed to do the job they can perform it greatly. However, in most organization employees have the skills and abilities, but the challenge is on attitude. Dessler argues that in as much as it is important to recruit candidates for right skills, it is of great importance to

consider attitude and aptitude as well. The business environment is ever- changing, today's skills may not be necessary tomorrow. In other words skills in this turbulent climate get obsolete. Therefore it is wise to constantly check-up for the relevant skills and maintain good employee attitude thus differentiate personnel along those lines.

According to Ivancevich (2004) training involves changing of attitude and behaviours to improve the performance of employees. Good attitude plays an essential role in attracting customers. The business might deteriorate in terms of sales simply because of bad employee attitude towards customers. This tarnishes the image of the organization to its valid stakeholders. Therefore training of employees is very crucial especially on issues to do with how to handle customers. Dessler (2011) argued that good attitude of employees will positively impress customers. It will communicate itself and as a result it attracts more and more clients, hence „the more‟ concept. This concept only implies that the more the business impress clients the more the likelihood customers respond to the product or service offered and it lead to increase in productivity level which means more profits to the organization. If employees are properly trained, their service will improve which will then add value in the eyes of the customer.

Training is one of the most crucial parts of personnel differentiation and should increase the workers technical and relational qualifications, in order to enable employees to meet all customer expectations.   Better-trained personnel exhibit six characteristics these are competence, courtesy, credibility, reliability, responsiveness and communication ability. Competence in personnel simply means the deliberate efforts to generate the impression that personnel have the required skills and the skills possessed are superior to what competitor employees have.

Hoddinot (2006) says competence means the ability to undertake responsibilities and to perform activities to a recognized uniformity on a regular basis. Competence is a combination of practical and thinking skills, experience and knowledge, and may also mean a willingness to undertake work activities in accordance with agreed or documented standards and procedures. Developing competence will not in itself guarantee differentiation, but it will improve the predictability of good performance. Courtesy is   the deliberate efforts to create the impression that employees are friendly, respectful, and have consideration for the customer. It is brilliance in social conduct and good manners.

Credibility is the strategic efforts to create the impression that personnel are trustworthy. Reliability comes about when employees are consistent, accurate and act when there is need to. Responsiveness is linked to personnel when they are quick to respond to customer requests. Communication is the ability to make an effort to understand and to communicate clearly with the customer.

Armstrong and Kotler (2012) go on to say personnel differentiation is crucial when customers deal directly with employees. Employees are the frontline defense against deteriorating customer satisfaction. The consumer expects the staff to be willing to help and courteous, and this is very crucial to the customer who may be trying out a new improvement technique for the first time or with little knowledge on the area. Human Resource have an important part in every organization to meet the expectations of the customer through employees. Organisations can create competitive advantage through having better- trained personnel. Krajewski et.al (2011) also supports Kotler's view that better trained personnel have six characteristics. In the organization, the customer is in direct contact with the personnel, the appearance and actions of the personnel are strongly vital. Smartly dressed, friendly and sympathetic personnel can positively influence the customer's perception of a brand or product.

Personnel differentiation of an organisation plays an important role in the time of competition because it yields greater levels of customer satisfaction that helps in customer retention. Various factors are prominent for personnel differentiation for achieving competitive advantage that may depend on customer satisfaction. Personnel differentiation is a road paving way to customer satisfaction which brings about competitive advantage, profitability and growth to an organisation. Personnel differentiation is resultant from employee training and development. The part of personnel is shaping the perception that customers carry in their minds with respect to an organisation through their performance and acts.

Organisations divert huge sums of money to discover their customer faithfulness but in most cases ignore a very crucial issue of improving the knowledge and training level of their personnel to accomplish both financial and nonfinancial objectives of the organization. In the circumstance of aggressive competition, personnel of the organisation can undertake a very crucial part in charming and appealing to customers. Bolman and Deal, (2008)

mentioned that there are various factors of evaluating company performance in organisations but customer satisfaction is considered a very effective indicator.

The attainment of customer satisfaction is not just a one way road, an organisation has to design products or services that meet the customer needs and expectations and conveyance of high quality services through dedicated, knowledgeable and differentiated employees. The differentiation of employees does not just come about through training but it is also realised through employee motivation in terms of both financial and non-financial rewards. Numerous empirical studies have shown a strong positive relationship between employee satisfaction and customer satisfaction. One study in particular, found out that, depending on market segment and industry, customer satisfaction and customer loyalty was accounted for by the relationship between employees and customers Bulgarella (2005). A basic psychology switch in employees reflects the psychological changes in an organization's customers too.

Most often, the customers' relationship with an organization comes down to their relationship with the organization's employees Borland (2006). Customer satisfaction and loyalty invariably are earned by delivering excellent customer service and the human touch is often the key differentiator. Additionally, customers with higher lifetime value have learned to expect more. "Gold" customers often bypass automation and directly deal with support staff to get their problems resolved Uckun and Matan (2007). Organisations that put employee and customer satisfaction in the spotlight when planning are likely to be committed to continuous improvement, both internally and externally Greenberg (2006).

From the research done of Bindura municipality council in 2009 by students at Bindura University where they wanted to find out the levels of customer satisfaction, they found out that the council would be more successful if it focused on both employees and customers. In addition, the students said the municipality should understand the service profit chain and do internal marketing. This implied that council should train and motivate its employees and all supporting service people to work as a team to provide enhanced customer satisfaction through people. From the research done it can be concluded that training, development and motivation bring about personnel differentiation that is difficult for competitors to imitate and plays a greater role in satisfying customers.

Wilson et al (2008) also says an organisation has to identify the right people and compete with other organisations in order to recruit the best man as strategy for delivering

customer satisfaction through personnel. Organisations act as marketers and use their marketing know-how in competing with other companies to hunting the best personnel.

The company also needs to revisit its recruiting strategies by offering remuneration and benefits that will make the organisation more competitive and attractive to skilled and experienced candidates seeking career opportunities in acquisition. Organisations need to lure in new personnel who will contribute to the organisation through their capabilities and standards. Organisations should oblige their personnel to have additional capacities such as service competencies and service inclination Wilson et.al (2008). The authors further stated that service competencies comes through abilities and knowledge necessary to do the job. In most scenarios, job applicants validate competencies, particular degrees and other professional credentials can define whether he or she has the required technical or professional competencies to execute the tasks Lopez et.al (2006). But sometimes, service competencies can be linked to basic intelligence or physical necessities rather than relevant degree. The authors also stated that personnel not only must be selected for service competencies, but also be selected on the basis of service inclination that is their interest in performing service linked work which is shown through their attitudes towards service and orientation toward serving customers. To cultivate and to sustain a consistent customer focused and service inclined personnel organisations must offer crucial training programs and leave it to their personnel to ensure good service delivery Lopez et al (2006). The authors further argued that encouraging teamwork is also a crucial part in the service delivery process through employees.

Through the human resources audit organisations are able to gauge the usefulness of skills held by personnel to deliver customer satisfaction. According to Kupar and Shashi (2004) training need analysis (TNA) is an endeavour to identify gaps in terms of performance between what the employee must do and what they actually perform. This helps in recognising areas of enhancement whether training and development is needed or subcontracting some activities in a bid to lessen needless costs. Training need analysis help also in defining approaches and techniques to be used whether on job or off job training.

Organisations should view the ability of personnel to enhance customer satisfaction as the chief resource for competitive advantage Boxall and Purcell, (2008). Organisations need to carry out continuous training programs for their personnel in order to equip them with technical skills, product knowledge and interactive skills to ensure customer satisfaction

(Wilson et. al (2008). Training the technical skills of the organisation's personnel may be a means of simultaneously improving quality and production.

The authors argued that in most cases organisations may teach technical skills through formal education and in addition technical skills are often taught through on-job training which can combine the theoretical foundation and real work in order to successfully differentiate personnel Wilson et al (2008). Furthermore personnel require training in interactive skills which are greatly related to technical skills that ensure them to provide courteous, caring, responsive and empathetic service. Interactive skills training provided for employees especially customer contact employees but also support employees offer specific skills as far as communication tasks are concerned. Successful companies are said to highlight the training program and make sure that the training fits their company's mission, values and strategies.

Masarech and Ann (2003), state that most organisation take their personnel as treasured assets and pay particular attention to their mentoring and skill improvement. The motivational level of employees also increases with the increase in their skill level and this produces more customer satisfaction since there is a positive link between personnel motivation and customer satisfaction as postulated in many researches. Many researchers like Weiner (2000) have linked the element of job satisfaction to the personnel's connection and liking of their work. The job satisfaction can be said as name of mental state in which employee of an organisation had a positive impression of its work. Ram et al., (2011) argues that a large number of firms had started investing heavy funds in developing the employees into a highly trained Human Resource. The key force working behind this foresight is the idea of a variety of benefits of a well-trained and differentiated personnel for example enhanced customer satisfaction.

The above discussion clearly indicates that personnel differentiation brings about customer satisfaction in this era where everything is now automated. They give a human touch and feeling to the organisation. Personnel differentiation is a strategy that is hard to imitate for competitors therefore it gives the organisation a long term advantage and keeps the company a level ahead of the competitors.

2.4 Customer service differentiation on repeat purchases.

It is easier to differentiate products because their variables are tangible than services. But when the product cannot be made distinct, adding valued services, or improving their quality can be the source to competitive success. According to Bruhn and Georgi (2006) services are processes which have six characteristics that is they are intangible, perishable, not transportable, produced and consumed simultaneously, differ from one customer to the other and are coproduced by the customer. Services have a great impact on whether the customer will come back or not, this is the reason why service differentiation is of paramount importance for every organisation. Bruhn and Georgi posit that there are few different factors which can be used for service differentiation which are ordering ease, delivery, installation, customer training, customer consulting , maintenance and repair and follow ups.

Neu and Brown (2005) say that the market place has become highly competitive and turbulent and is changing on a daily basis. Market conditions have moved from being simple to complex, from stable to dynamic, and from tame to hostile. In response to the changing market conditions, organisations have become more consumer focused and inventive, in a way that buyers get products that suit their needs and lifestyles. To add on to that, manufacturing organisations have started adding services to their market offerings as part of a differentiation strategy. Organisations with stronger dependence on the service part of their business are said to yield better return on sales and improve their value according to Fang et al., (2008). Organisations are diverting their efforts towards customer centricity and innovativeness, but also from goods to services. Instead of only innovating products, organisations are also devoting to service differentiation. Consequently, instead of services being add-ons to the product, they become part of the total offering, with products as add-ons to the services. A common rationale involves using service differentiation to take advantage of strategic, financial, and marketing opportunities.

Almenta (2011) is of the thesis that customer services is the provision or servicing customers before, during and after the purchase with a series of activities designed to enhance the level of customer satisfaction. These may be postulated as all activities that help in binding together an organization and its customers in order to advance a sales relationship. Almenta (2011) refers to customer service as the delivery of a service and series of activities intended

to increase customer satisfaction. Ziethmal and Bitner (2006) refers to customer service as all activities aimed at binding an organisation and its customers together. However putting these views together, the definition of customer services would be the provision or servicing customers, before, during and after a purchase with a series of activities designed to enhance customer satisfaction and strengthen relationships with the customer.

Boundless (2013) and Sturdy (2011) both agreed that the needs for customer service training lie in two areas that is management of self and management of others. Padi (2012) also highlighted the areas which need to be trained on regarding customer service and these are training on customer mood and training on excellent customer service delivery. The elements included are solving customer service problems, technology and information, planning, customer interaction, customer familiarity and long term customer relationship. Kamim (2012) adds a different facet to this view as the author postulates that customer service training enhances and advances both technical and interpersonal skills. In agreement, while adding the intrapersonal component, Adrelland (2013) asserts that customer service training should be done on both technical (job related) skills and soft skills. The soft skills being referred to are the intrapersonal skills and interpersonal skills. This includes the environment in which the staff works, the equipment used and standard routines that should be followed. Kamim (2012) also suggests customer service training involve interactive skills, which are those skills that equip the employee with knowledge in communication, interpersonal and problem solving skills.

The idea that services are less visible and more labour-dependent makes them a tactical opportunity and a viable tool of competitive advantage. Services lead to co-creation of value on the basis of the competencies of the organisation and the customer which leads to resources that are unique and difficult to duplicate to. Marketing opportunities involve using services to supplement the product offering and increasing the quality of the customer interaction. For a purely goods provider, the product dominates the total offering, and the service component only includes customer service.

Customer service only supplements product offerings and enhances the quality of customer interaction and increases the chances of repeat purchases.

Oliva and Kallenberg, (2003) concludes that products remain the main source of profits and revenue, while customer service only makes a marginal contribution.

Bruhn and Georgi posit that there are few different factors which can be used for service differentiation which are ordering ease, delivery, installation, customer training, customer consulting , maintenance and repair and follow ups. When it comes to ordering ease as a differentiating factor an organisation can simplify the way to place an order; it can be, for example, with the use of online orders. Through delivery the organisation could also improve its way of delivering the service and products to its customers. The different factors can be, for example, the covering speed, the accuracy or the customer care. Installation refers to the work that must be done to make a product functional. To differentiate itself, the organisation can deliver good installation services to thank the customers for their purchase.   The customer training should also be delivered by the organisation. It is for example the explanations on how to use the new product. Customer consulting refers to data, advising services and information system that are offered to buyers by the company. To differentiate itself, the company can, for example, provide research or data about the product they sell on their website. Maintenance and repair service is a really important service, its helps customers to keep purchasing products in good working order. It is an important consideration for many customers and the companies should provide maintenance and repair services to differentiate themselves from others companies as argued by Kotler (2000).

 Garner and Garner (2004) suggest that if an organisation wishes to continue doing business with customers in the future, they need to be apprehensive about their customers' satisfaction. In support to this view, Ingram (2011) emphasizes that it is very important to follow up a customer after a sale. Kemley (2008) goes on to mention the importance of making follow-up. The author mentions that they are useful in acquiring knowledge on whether customers are satisfied or dissatisfied with the product or service rendered to them by the company. This will in turn give control to the company in that knowledge on what satisfies and what does not satisfy the customers is acquired. Any complaints which are raised during a follow up will be acted on.

This is good in that those complaints which would have affected other customers will be resolved before they complain also. Thus it acts as a service recovery tool.

Giving an organisation another chance to solve the customer's problem efforts made at first to meet the customer's expectation will have been unsuccessful Larfage and Avila (2009). Customer follow up also helps to recover lost customers and it in turn helps identify what is causing customer dissatisfaction. They feel glad that the organisation cares about them and are assured that the organisation will always attend to their needs as a valued customer. This is emphasized by Boundless (2013), as the author denotes that follow up contributes to the customer's perception of value purchased. Thus it gives confidence and assurance to the customer that they chose the right product or service provider to meet their needs and wants.

In accordance to this thesis, Sexton (2012) comes in proposing that it is for every sale that follow up should be made, as it this gives rise to opportunity for repeat sales and avoids giving competition a leeway to take advantage of the customer suffering from cognitive dissonance before or after a sale. Due to competition's introduction of substitutes or better offerings, customers may be lost to competition if they are not followed up. Hence following them up help the organisation to build and nurture a relationship with that customer, such that even when competition becomes aggressive, the customer will still choose to deal with the organisation they have a relationship with. Regular follow up generates to long-term repeat customers, as the follow up is a way of getting feedback from customers (Boundless 2013). This will help the organisation identify what the customers need and want. In so doing, it helps to build a mutual relationship. A customer who experiences the best service is more likely to come back for more business since he or she feels valued. Customers do not just judge an organisation by the products they get but are also affected greatly with the service they receive as part of their purchase encounter.

2.5 Chapter Summary

This chapter looked at what various authors had to say about the concept under study and literature was reviewed objective by objective and the researcher's voice was also established for each objective. The following chapter will provide steps and procedures that were used to collect information and data concerning the effectiveness of differentiation strategies on company performance.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter gives all the steps and procedure which were by the researcher to find out the effectiveness of differentiation strategies on company performance. The chapter consists of the research design, target population, sampling methods and sampling techniques, sample frame, sample size, sample procedure, data sources, research instruments, validity and reliability of findings, data analysis and presentation tools and chapter summary.

3.1 Research Design

Cooper (2011) concluded that it as a roadmap for researchers and it organises the blue print for collection, evaluation and analysis of the data. For this research, the researcher used both exploratory and descriptive research design.

3.1.1 Exploratory Research Design

Kowalczyk (2015) defined it as the initial research undertaken to get insights into the problem. The researcher used this design because it helps in gaining more knowledge on how product differentiation affects customers and how it gives Gtel a competitive advantage. Exploratory research design was used for this research because it explores on the research questions such as, Does product differentiation affect competitive advantage of the company? The design was also appropriate because new ideas and knowledge about product differentiation and its effects on a company's competitive advantage were revealed. In exploratory research the researcher had some ideas but sought to explore more about how the competitive advantage comes about through product differentiation. This type of research design made it easy to define problems as well as establishing priorities of the study.

3.1.2 Descriptive Research Design

Best and Kahn (2007) say that this design attempts to explore and explain while providing additional information about the research. Descriptive research design was used to gather and describe how personnel differentiation effects overall customer satisfaction and to determine the effect of customer service differentiation on repeat purchases. Descriptive research design was also used because it helps to uncover facts pertaining to how personnel

differentiation can be done at Gtel to yield the required customer satisfaction levels and how customer service can be incorporated into the organisation as a way to encourage repeated purchasing. This design comes up with information that is useful in determining the effectiveness of differentiating strategies through qualitative information from customers and employees.

3.2 Target Population

Puhan (2013) describes target population as the entire group of people to which the researcher wishes to generalise the study findings and this is where the sample size is drawn from. The research targeted customers and employees from Gtel Gweru, both male and female respondents who are 460 in total. It is estimated that Gtel Gweru serves about 455 customers on a monthly basis and has 5 employees.

3.3 Sampling

A sampling method is a procedure for selecting sample members from the target population as described by Tongco (2007). To yield quality data the sample must be a representative of the population, must permit accurate collection of data and all population units should stand a chance of being included.

3.3.1Sampling methods and techniques

There are two methods of sampling that is probability and nonprobability sampling. This study used non probability sampling methods through the convenience sampling technique and the purposive sampling technique. When sample units are selected on the basis of personal judgement, the sample method is a non-probability sample as described by Zikmund (2003). Convenience sampling takes advantage of whoever is there who is conveniently located

3.3.1.1Purposive Sampling

This technique is used in cases where the specialty of an authority can select a more representative sample that brings more accurate results as described by Warren (2011).It involves handpicking individuals from the population based on authority or researcher knowledge or judgement. The researcher used this technique to sample employee respondents .The respondents were 2 permanent employees at Gtel Gweru branch. These employees were chosen because they know how the problem of low sales volumes and reduced customer database started since they have been working for the company for more

than five years and they will also give their opinion on how effective differentiating strategies will be in trying to improve company performance.

3.3.1.2 Convenience Sampling

The researcher used convenience sampling technique for customers . This is because it is less complicated and inexpensive because it takes advantage of whoever is there. As the name suggests you take what you can get and do your best with it Warren (2011). It is also known as accidental sampling (Kumar 2005). The researcher used convenience sampling because it is easy to access respondents using this type of technique. Customers were conveniently taken from the Gtel shop. Any customer who owns a Gtel phone and had his or her name appearing in the company database was chosen to give information. These customers were identified as they walked in to the Gtel shop. The technique was used since it yields more accurate results because it accounts for all customer groups and their opinions in coming up with a conclusion.

3.3.2 Sample Frame

Abowd and Vilhaber (2011) defined sample frame as a set of information used to identify a sample population for statistical treatment. It is a complete list of all the members of the population that the researcher wishes to study and it includes a numerical identifier for each individual and others such as character that allows for division into further frames. The population understudy is made up of employees and company customers.

3.3.3 Sample Size

The researcher used 20% of the target population as suggested by Zikmund (2003) that if the target population is 300 to 500, 20% of the population will be ideal for the research. The author says using 20% would help in coming up with a more reliable conclusion. A sample size of 92 respondents will be used by the researcher.

20% of 460 = 92 respondents

92- 2employees= 90 customers

3.4 Data Sources

Data sources are divided into primary and secondary data and the researcher used both so as to get accurate, more precise and reliable information. This is data that the researcher used to analyse their data and come to a conclusion.

3.4.1 Secondary Data

Bush (2003) defines Secondary data sources as data that was collected and interpreted at least once for some specific situation other than the one under study. It is data from historical sources, already gathered and assembled and it does not require access to respondents or subjects. The study made use of past records such as company yearly journals from 2011 up to 2015, financial and sales books .Online articles were also used so as to assess Gtel's performance over the years in terms of customer satisfaction, customer loyalty and sales through market share statistics. The company journals and sales books showed the sales figures, customer database statistics and percentage growth or decline of sales volumes. Secondary data helped to understand the problem of low levels of customer loyalty, reduced market share and lower sales volumes better.

3.4.2 Primary Data

Driscoll (2011) says that primary data is data that is based on scientific methods and a theory of investigation, for instance the use of a questionnaire and interviews in this research. Questionnaires were used by the researcher to gather information from customers about what features appeal to them more on a phone and how it affects their overall satisfaction and how customer service has an influence on them being loyal customers of the company through repeated purchasing. Interviews were used to gather information from employees about how sales volume and customer database decline started and what they think of differentiation strategies in improving company performance. The researcher used primary data because it allowed for the collection of first-hand information which is specifically meant for the poor performance in terms of sales volume and customer database that has encroached the company. This will reduce the chances of unbiased recommendations to the company basing on the findings of the study.

3.5 Research Instruments

A research instrument shows how the data was collected, and they are basically the tools and techniques that were used to gather the required information. The researcher used questionnaires and interviews to collect data from the employees and customers of Gtel.

3.5.1 Questionnaire

The questionnaire consisted of open-ended and likert scale questions. Likert scales give respondents a wide range of statements that give them the platform to agree or disagree and are crucial in ensuring that the study objectives are comprehensively evaluated. The Likert

scale is a five point questionnaire. The researcher used questionnaires since they collect data from a large number of people than interviews which is mostly limited by time. Questionnaires reduces risk of bias and greater anonymity as the researcher will not know who filled in a certain questionnaire and their individual responses. They also give respondents time to think through their responses for questions that required them to explain further on why they had chosen a certain answer. The targeted group of respondents were customers. Questionnaires tried to get answers for question like, Does good customer service influence repeat purchase? Does good after sale service improve your attachment to the brand? and Does unique product feature or quality affect your purchase intention?

3.5.2 Interviews

Interviews involve asking questions and getting answers from participants in a study. The interview was conducted face to face paying attention to the facial expressions and gestures made by the interviewee to measure the truthfulness of the information being replied. Open ended questions were asked so as to allow the respondents to give much information as possible hence the information was used in the discussion of the findings. Interviews mainly targeted the company employees to find out how the employees think with regards to their products, personnel strategies and customer service in comparison to what competition is offering .It was also a way to gather information on how the employees think of differentiating strategies in improving their overall performance.

3.6 Data Collection Procedure and Administration

The researcher made use of appointments and permission to carry out research. Prior to data collection or interviews the researcher set a date and time convenient to the respondents. For employees to be at liberty in answering the questions, the researcher explained that the study is for academic purposes only and information obtained was confidential. The questionnaires were filled whilst the researcher waited so that the researcher can assist where the respondents do not understand. The questionnaires were returned to the researcher as soon as the respondents finished filling in.

3.7 Validity and Reliability of Findings

Validity indicates the degree to which the instrument used measures the constructs under investigation Mugenda and Mugenda (2003). To ensure that information gathered is valid the researcher made sure that information on the questionnaires is in line with the research objectives. The researcher developed a questionnaire based on research questions and validity

was affirmed by discussing the instrument with the supervisor and an expert in the subject. Furthermore the researcher made use of a pilot study whereby she started by administering questionnaires to her roommates and classmates so as to pre-test the research instrument before the date of the research and make necessary adjustments. The results of the pilot study were used for evaluation to view the consistency and compatibility and improving research questions with questions that gave more insight into the topic and problem under study.

Thomas, Nelson and Silverman (2012) define reliability as the replicability of the research under similar conditions elsewhere.

- The researcher made sure that the sample size is a true representation of the total population hence valid and true representation. The issue of reliability enabled the researcher to bring in in-depth research which can enable the study to be repeated with the same results being produced.
- The researcher also asked simple questions which are easy to understand so that respondents give reliable answers.
- To obtain reliable data a large sample size was used.

3.8 Ethical considerations.

Saunders et al, (1997) says   Research ethics refers to the appropriateness of the researcher's behaviour in relation to the rights of those who become the subjects of your work or who are affected by it. Researcher followed research ethics by negotiating access to people on the data collected. The researcher made sure that the research population would not be subjected to embarrassment or to be used for any other material to the disadvantage of the research population. The researcher looked for the consent of the respondent before data is collected. The respondents had the right to maintain their privacy and were allowed to decline to take part in particular aspect of the research or even withdraw. In conducting this research the researcher maintained confidentiality to any information that was collected and at all times anonymity was encouraged so as to protect the research participants from any harm or danger that may arise after giving out information.

3.9 Data Analysis and presentation tools

The data collected was thoroughly examined and checked for completeness by checking if all the pages of the questionnaire are there and if any answers were omitted or no answers at all.

Consistency was also checked, accuracy and whether the respondents are eligible or not. Computer software such as the Statistical Packages for Social Sciences (SSPS) was used to enter and analyse the data collected as it aids in organising and summarising the data to provide meaningful parameters. The data was also assigned into groups of homogenous characters and these findings were presented by use of graphs, percentages, pie charts and tables.

3.10 Chapter Summary

The chapter discussed and described the research design used to gather information pointing out the target population, the plan for the study, research methodology, the sample size, data sources, research instruments and its design, the collection procedure and finally the data analysis and its presentation

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS

4.0 Introduction

The chapter will present data collected from questionnaires and interviews and which were directed to Gtel customers and employees. Apart from presentation, the information will also be analysed and discussed concerning the effectiveness of differentiation strategies on company performance. Graphs, tables, charts as well as figures will be used for presentation and analysis of findings through both qualitative and quantitative data.

4.1 Response Rate

Questionnaires were distributed to Gtel customers for completion. The response rate is presented in table 4.1 below.

Table 4.1 Questionnaire Response Rate

	Total distributed Questionnaires	Returned and Completed Questionnaires	Response Rate %
Customers	90	80	88.9
Total	90	80	88.9

 As shown in Table 4.1 above, from the 90 distributed questionnaires 80 were completed and returned by the customers. The customers were eager to respond because the area under study seemed to be of interest to them and they saw it as a platform to air out their views and opinions.It made them feel as valued customers of the company. 7 questionnaires were not completely filled in and 3 were spoiled. The questionnaire response rate was 88.9 %.Interviews were done with the employees of Gtel and the response rate is presented in table 4.2 below

Table 4.2 Interview Response Rate

	Expected Participants	Actual Participants	Response Rate %
Employees	2	2	100
Total	2	2	100

As shown in Table 4.2 above, 2out of 2 employees were interviewed and the researcher managed to conduct them as she went on the appointed time. 100% response rate is more than satisfactory to the researcher and the employees were keen to express their views concerning the subject under study.

4.2 Demographic Profile of Respondents

The study took into consideration age group, gender and number of years a customer has been with Gtel as they are appropriate for the topic under study

4.2.1 Respondents by gender
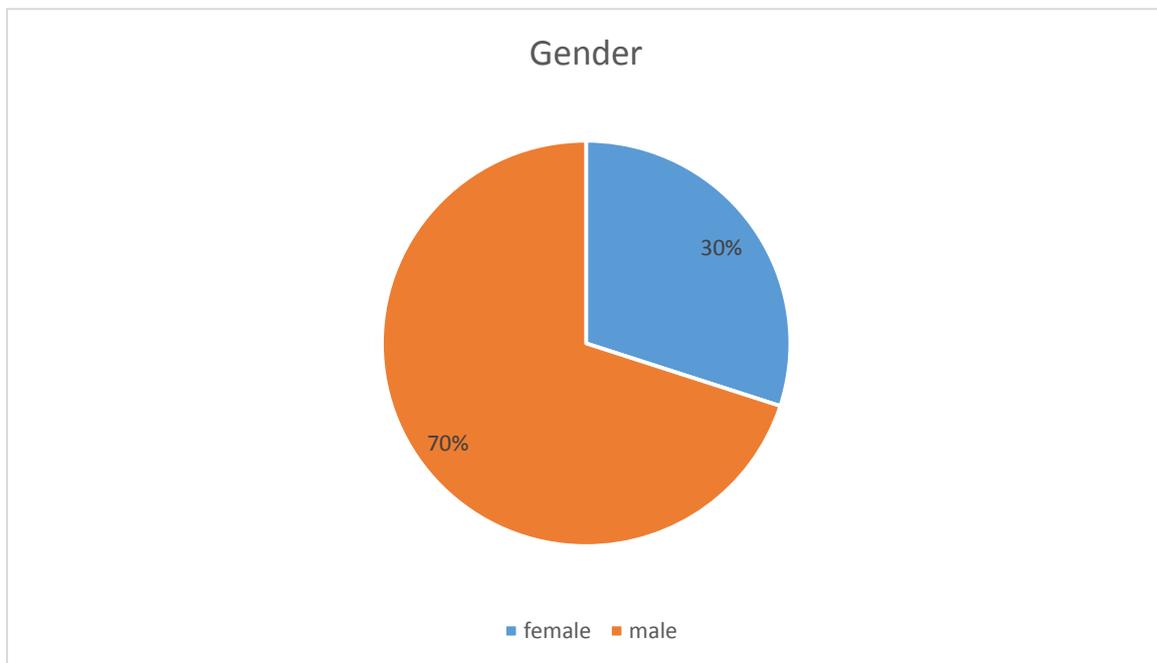
Fig 4.1 Showing respondents by gender

Fig 4.1 represents the overall respondents classified according to gender.70% of the respondents were male and 30% were female. This shows that the majority of the respondents were men. It follows that more men buy mobile phones as compared to women since they are the breadwinners in most cases. Interview respondents were one male and one female.

4.2.2 Respondents by Age group
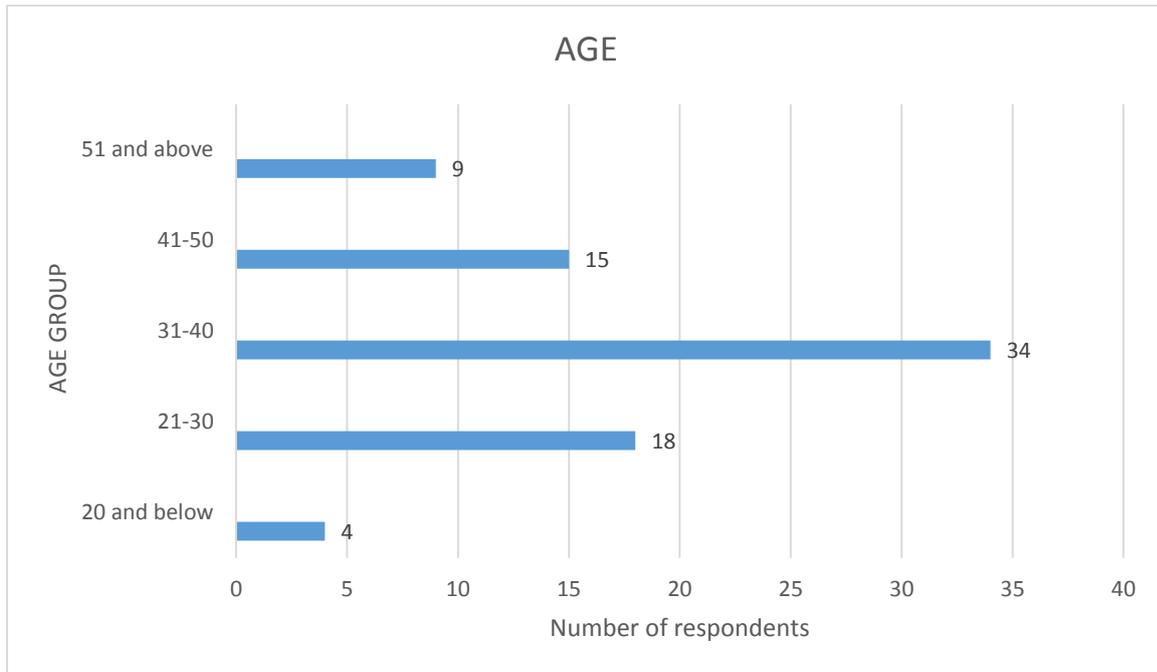
Fig 4.2 showing the age groups of the customer respondents.

As shown by Fig 4.2 the majority of the respondents were aged between 31 and 40 years who were 34 in total. Those aged between 21 and 30 recorded a figure of 18 followed by those who are in between 41 and 50 years of age. The 51 and above age group had 9 respondents and the age group with the least respondents was that of 20years and below. Most of the respondents were between the age of 21 and 50 because they are the majority of the working class and users of smart phones.

4.2.3 Respondents according to how long they have used a Gtel.

Fig 4.3 overleaf shows respondents classified on the basis of how long they have had a Gtel phone. The graph depicts that majority of the respondents have had a Gtel for about 2 to 5yrs and they are 45 in total, followed by those who have owned it for 5 to 8years who are 20 in number and those who have owned it for a year and less are 12. This clearly indicates that the

majority of the customers bought their phones during Gtel's growth phase and the number of consumers buying the brand has deteriorated.
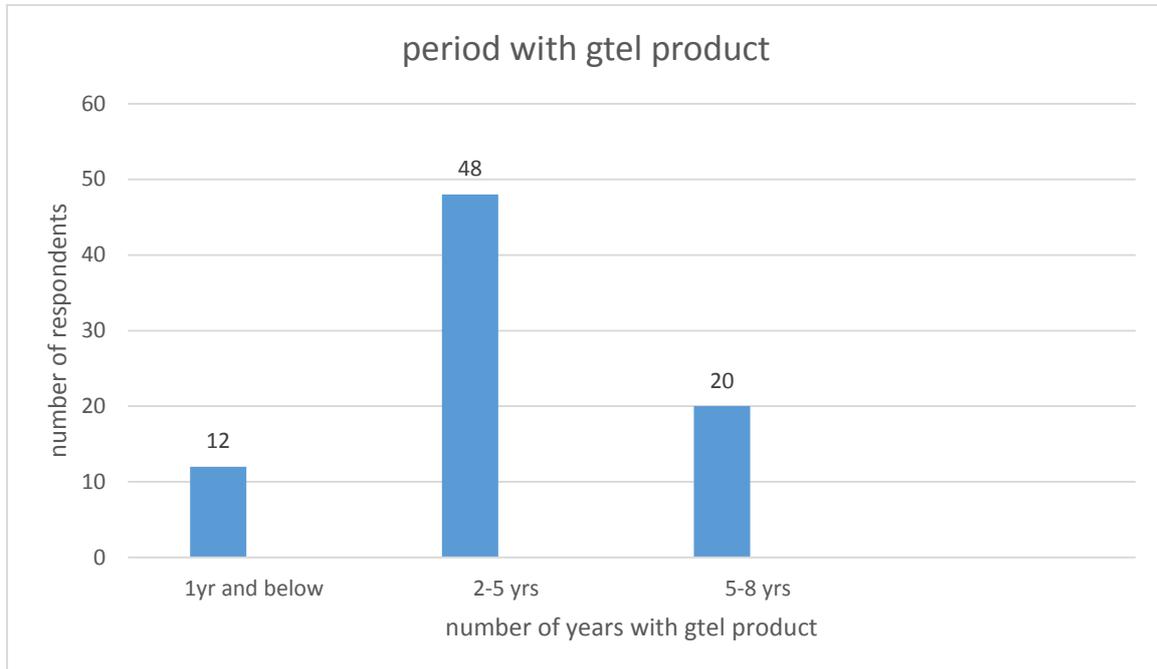
Fig 4.3 showing respondents classified according to the number of years they have had a Gtel phone.

4.3 Analysis of responses on the effects of product differentiation as a source for competitive advantage.

One of the objectives of the research was to find out the effects of product differentiation as a source of competitive advantage and the information was analysed through data that came from respondents on how they view product attributes through their reason for buying a gtel phone, the product attribute that appeals to them more and the product attribute improvement they would appreciate the most, their overall experience with the product and their views of the relationship between additions of unique product attributes and loyalty to the brand.

4.3.1 Respondents view on product attributes

Fig 4.4 below shows the reasons why the respondents bought the product, which product attribute appeal to them the most when buying the product and the product attribute improvement they would appreciate the most in terms of durability, functionality, product features such as camera pixels and storage and the quality of the product.

product attributes

	durability	functionality	product feature	quality
■ What made you buy agtel	52.50%	10%	17.50%	20%
■ which product attribute appeal to you the most when buying a phone	17.50%	12.50%	36.25%	33.75%
■ which product attribute improvement would you appreciate the most	17.50%	12.50%	36.25%	33.75%

Fig 4.4 showing responses concerning the product.

According to Fig 4.4 the majority of the respondents bought the product due to its durability since 52.5% of the populat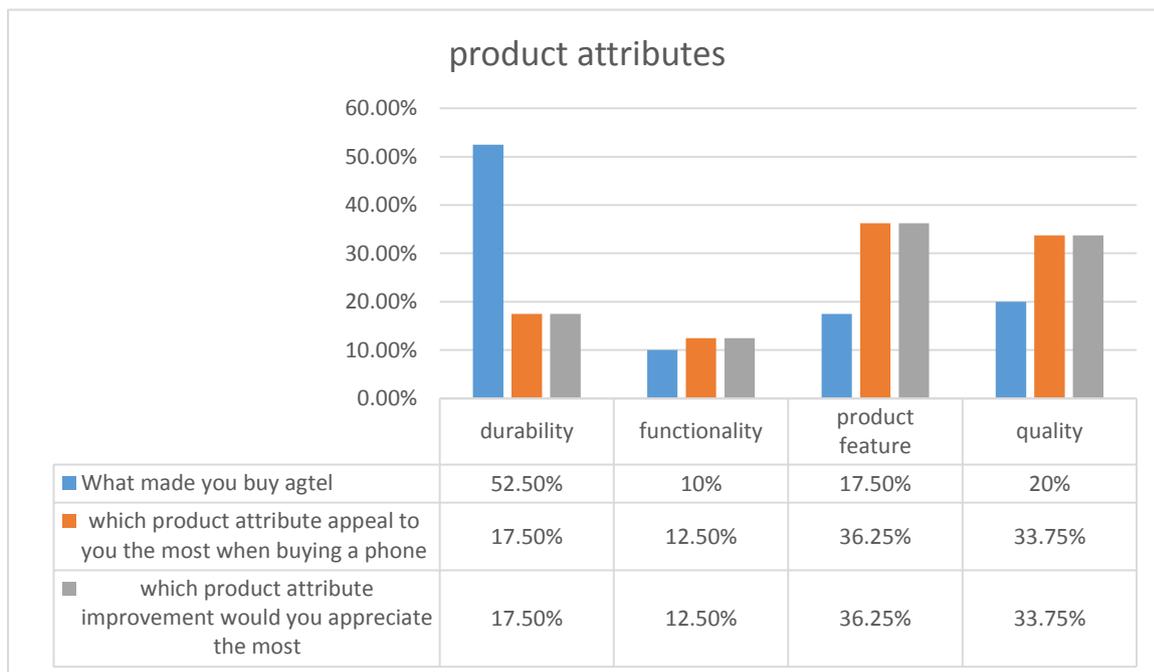ion was in that category. Only 10% bought the product basing on functionality and 17.5% bought it on product feature basis. It also indicated that 20% considered the quality in their purchase decision. Fig 4.6 also depicts that 17.5 % of the population are attracted by durability when buying a phone, 12.5% consider functionality, 36.25% consider the product feature and 33.75% are attracted by quality. Respondents also showed appreciation of product attribute improvement as follows, durability 17.5%, functionality 12.5%, product feature 36.25% and quality 33.75%. These statics show that there is less appreciation of the product features and quality of the Gtel product since most respondents bought the product with durability in consideration. It is also of great significance to note that a small percentage of 17.5% are attracted by durability when buying a phone but the statistics reveal that most of the customers exist because of the product durability. This means that most customers tolerate their phones but they are not getting the expected utility a phone should yield. This means that Gtel products are good in terms of durability but most customers are not fully satisfied by the attribute as postulated by Roberts and Inman (2007), customers desire for distinguished products with modified features of

higher value to them as it helps them to make a purchase decision. Most respondents showed greater appreciation of product feature and quality improvement.

4.3.2 Customer experience with the product.
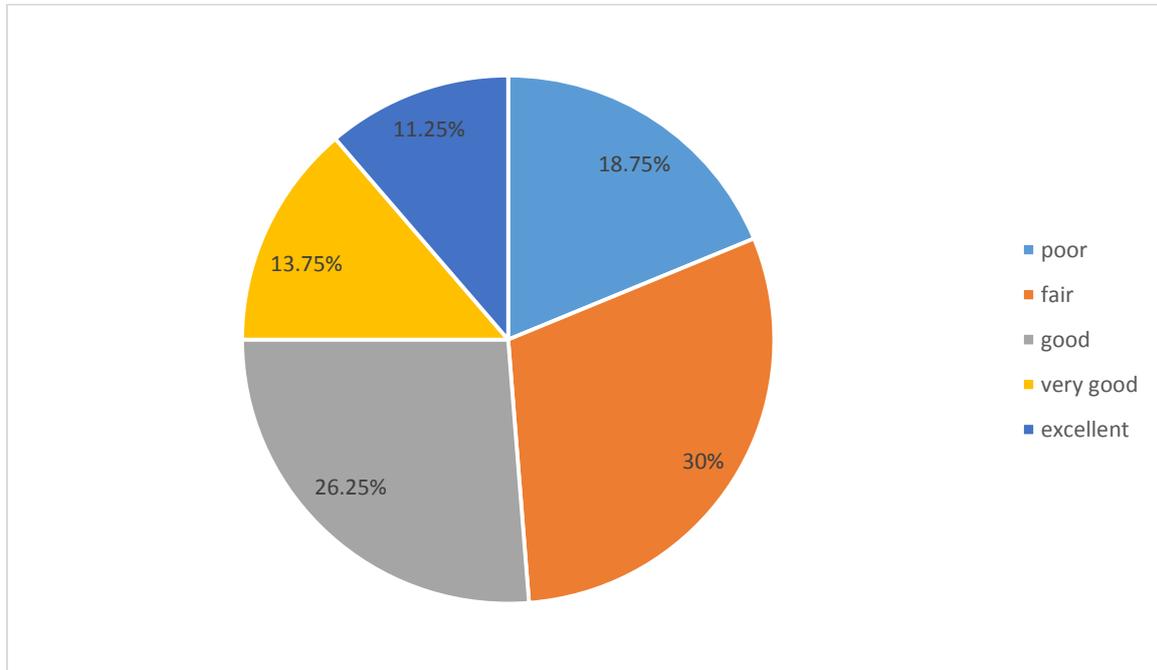
Fig 4.5 showing respondents experience with the product

Fig 4.5 shows that 18.75% has had a poor overall experience with the gtel phone, 30% say they have a fair experience with it, 26.25% say the experience is good, 13.75% are of the view that it was very good and 11, 25% consider it as excellent. These statistics show that a significant number of customers is not fully satisfied with the overall product despite them using it. This might mean a continuous decline in sales and customer database. Iiyoung (2013) concludes that product differentiation is an important strategy for long term product success. Product success is measured on the basis of a product's ability to meet and exceed customer expectation, needs and wants. Johnson (2008) goes on to say organisational strategies must be based on two key factors: the strategic customers, the company has to identify their needs and what they will value, and also on the key competitors, to be different, the company has to identify against who it is competing. This means that most of the respondents perceive the product as unable to meet their needs and wants. It is difficult to retain the 18.75% who think the experience is poor and the 30% who say it is fair because customers want value for their money since phones are not products that are bought

frequently. These questionnaire results are also supported by a view that came from the interview that says most customers come to complain that the price of the product does not match the satisfaction it yields.The employee justified the customers switching of brands saying that the majority of the customers are unhappy customers in terms of overall experience with the product.

4.3.3 Respondents view of the relationship between unique product attributes addition and loyalty

unique product attribute additions and loyalty relationship

strongly agree — 20%
agree — 46.25%
neutral — 16.25%
disagree — 10%
Strongly disagree — 7.50%

agreement or disagreement option (y-axis)
percentage respondents (x-axis): 0.00% 5.00% 10.00% 15.00% 20.00% 25.00% 30.00% 35.00% 40.00% 45.00% 50.00%
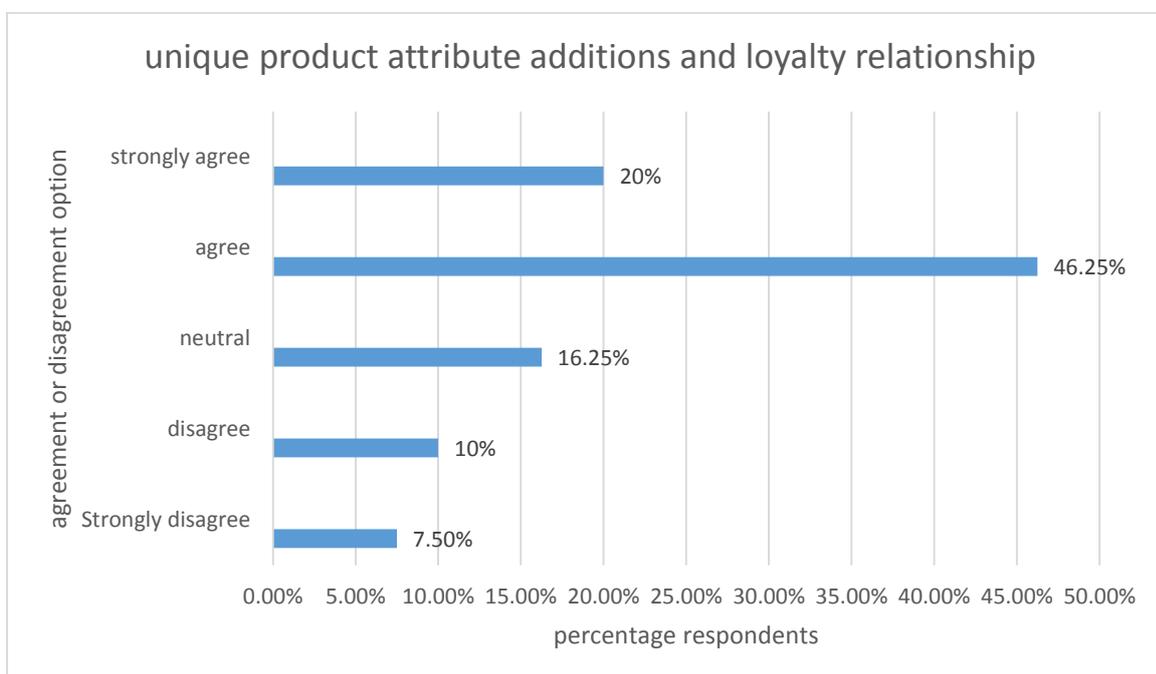
Fig 4.6 showing respondents view of unique product attribute additions and loyalty relationship.

Fig 4.6 indicates that 20% of the respondents strongly agree that adding new product attributes makes a customer loyal, 46.25% agree, 16.25% are neutral, 10% disagree and 7.5% strongly disagree with this notion. The responses from the questionnaires were in agreement with what one of the interview respondents said in response to the question, 'In your opinion do you think the addition of unique product attributes would create loyal customers". In his response he says that, 'Customers often come to ask for the difference between the phone that they own and the latest one and this simply shows appreciation of new features. He went on to say that if customers know that the company constantly upgrades to meet their needs, they

will stay loyal to the brand.' This is in agreement with what Armstrong and Kotler (2009) suggested as cited in literature review that the purpose of constantly upgrading and adding new product features is to attract new customers and retain the current ones and if the company manages to retain a customer the end result is brand loyalty.

4.4 Analysis of responses on the effects of personnel differentiation on customer satisfaction.

It was also the research objective to determine if personnel differentiation has an effect on customer satisfaction. Responses gathered are presented below through respondents' overall experience with Gtel personnel, their views of personnel attributes and respondents view of the relationship between personnel attitude and customer satisfaction.

4.4.1 Overall respondents experience with personnel.
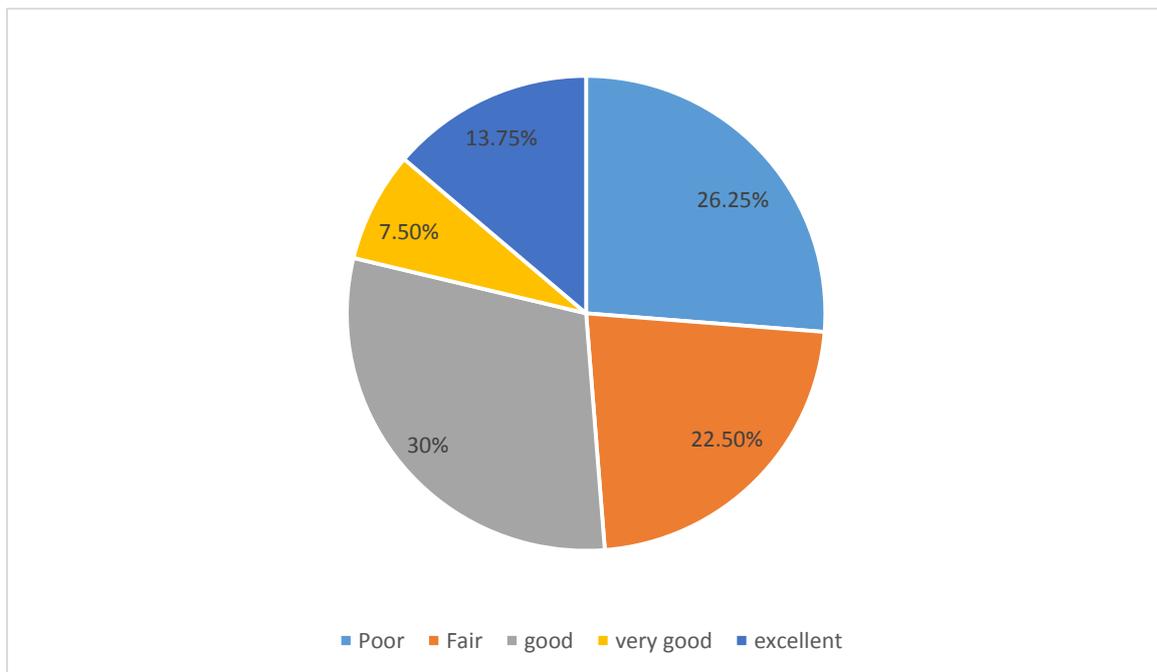
4.7 showing respondents experience with personnel

Fig 4.10 shows the overall experience the respondents have had with Gtel employees. 26.25% confirmed that it was poor, 22.5 % say it was fair and 30% good, 7.5% very good and 13.75% excellent. It cannot be concluded that the employees of Gtel are not doing a good job because some of the customers are satisfied but there is a significant number that is not satisfied. It also said that an unhappy customer spreads the experience to more people than what a happy one does so there is need to invest more on improving customer experience with the customers.

4.4.2 Respondents view of the relationship between personnel attitude and customer satisfaction.
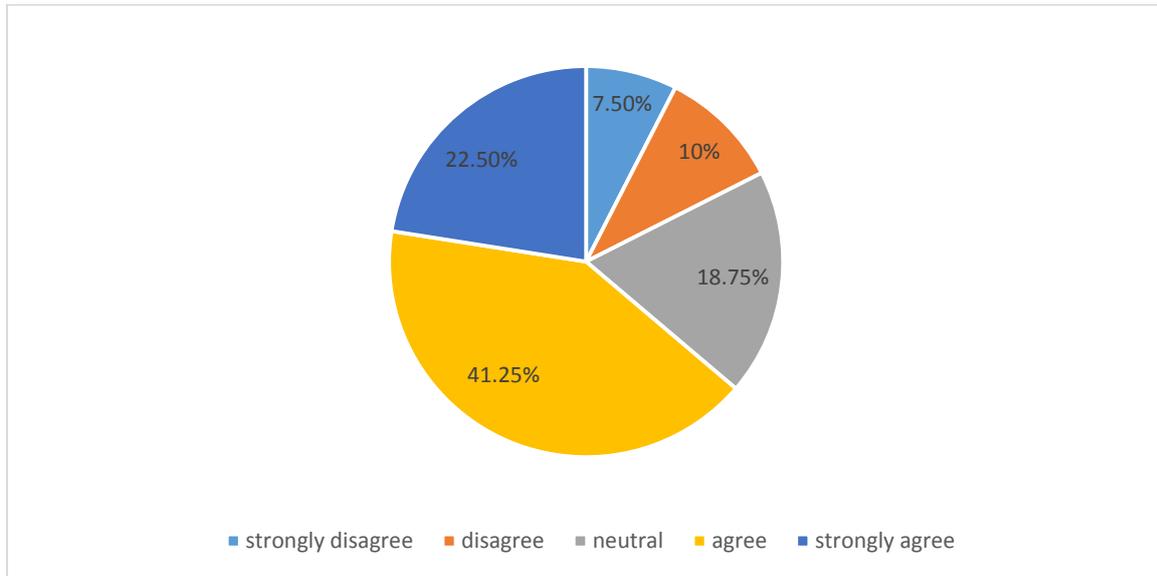
Fig 4.8 showing respondents view of personnel attitude and customer satisfaction.

Fig 4.8 depicts that 7.5% of the population strongly disagree that personnel attitude affects their satisfaction, 10% disagree, 18.75% are neutral, 41.25% agree and 22.5% strongly agree. Majority of the respondents said that personnel attitude influences satisfaction

4.4.3 Respondents view of personnel attributes
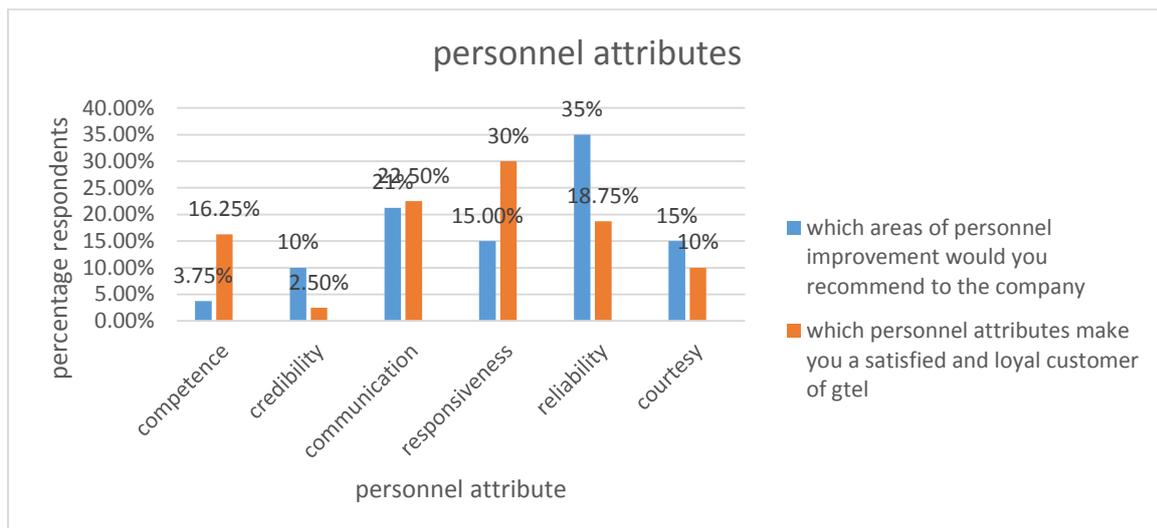
Fig 4.9 showing respondents' view of personnel attributes

Fig 4.9 shows that 3.75% requires personnel improvement through competence of workers, 10% require it through credibility, 21% through communication, 15% through

responsiveness, 35 % through reliability and 15% through courtesy. Moore and Pareek, (2010) say that nowadays companies should only not only be satisfied with knowledgeable and experienced workers because these characteristics are asked to most of the workers, so to differentiate themselves from other organizations, companies should also ask their workers to be trustworthy and responsive, to be reliable and courteous, to be competent and dedicated to give a human face to the organisation. The results show that most customers appreciate personnel that is responsive, reliable, courteous and personnel that can communicate with them well. The graph also depicts that a percentage of 16.25% is satisfied by competent personnel, 2.5% is satisfied by credibility of personnel, 22.5 % is satisfied by communication, 30% by responsiveness, 18.75% by reliability and 10% by courtesy. Armstrong and Kotler (2012) say personnel differentiation is important when customers deal directly with employees and employees are the frontline defense against waning customer satisfaction and this view is also supported by a response from the interview respondent who said that customers who feel that we have treated them right often come again to do business with us and they refer others to us.

4.5 Responses on customer service differentiation influence on repeat purchases.

It was also the research's objective to find out if customer service differentiation influences repeat purchases. The analysis was done through respondents overall experience with Gtel customer service, relationship of customer service and repeat purchasing and respondents view of customer service areas.

4.5.1 Respondents view of overall customer service experience.

Fig 4.10 overleaf shows that 20% of the respondents have had a poor experience, 26.25% fair, 23.75% good, 17.5% very good and 12.5% excellent. Ekinci (2003) states that the customer alone does not know the difference between good or bad service delivery but it is the organisation that should make the effort to direct its customers to what they believe is the best therefore it cannot be concluded that the customer service is good or bad but Gtel has to strive for improvement in terms of customer service delivery.

Fig 4.10 showing respondents' view on the overall customer service received from Gtel

4.5.2 Respondents view on customer service and repeat purchasing.
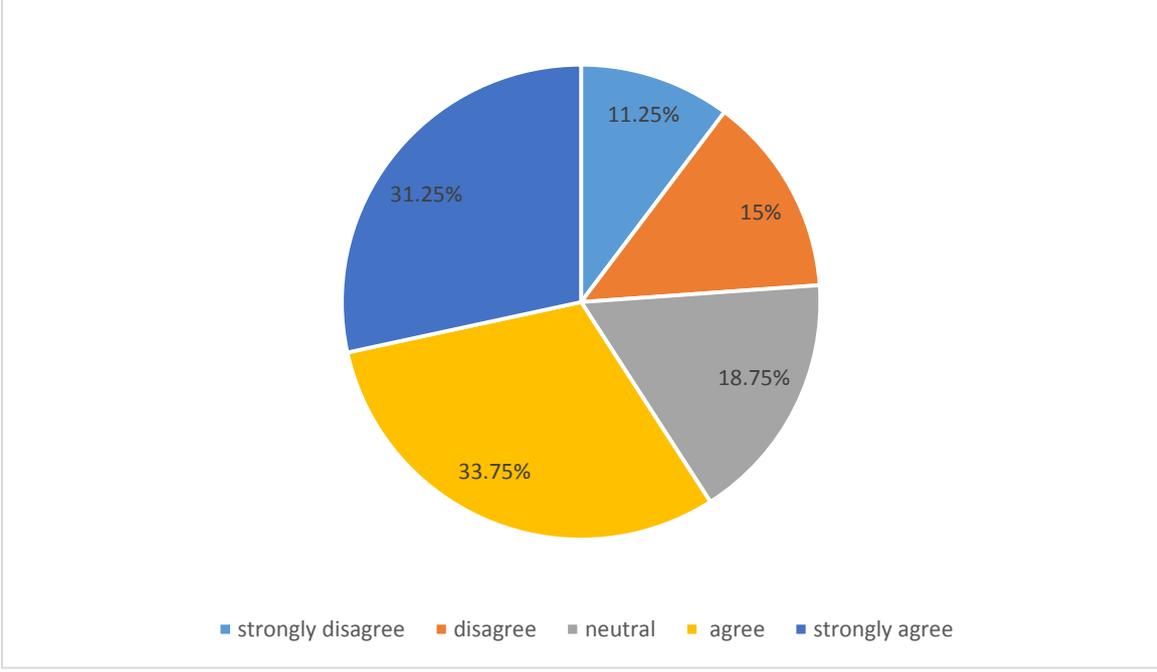
Fig 4.11 showing respondents view of customer service on influencing repeat purchases

Fig 4.13 shows that 11.25% strongly disagree that there is a link between customer service and repeat purchasing, 15% disagree, 18.75% are neutral, 33.75% agree to the idea and

21.25% strongly agree. The majority of the respondents showed that there is a positive link between customer service and repeat purchasing.

4.5.3 Respondents view on customer service areas
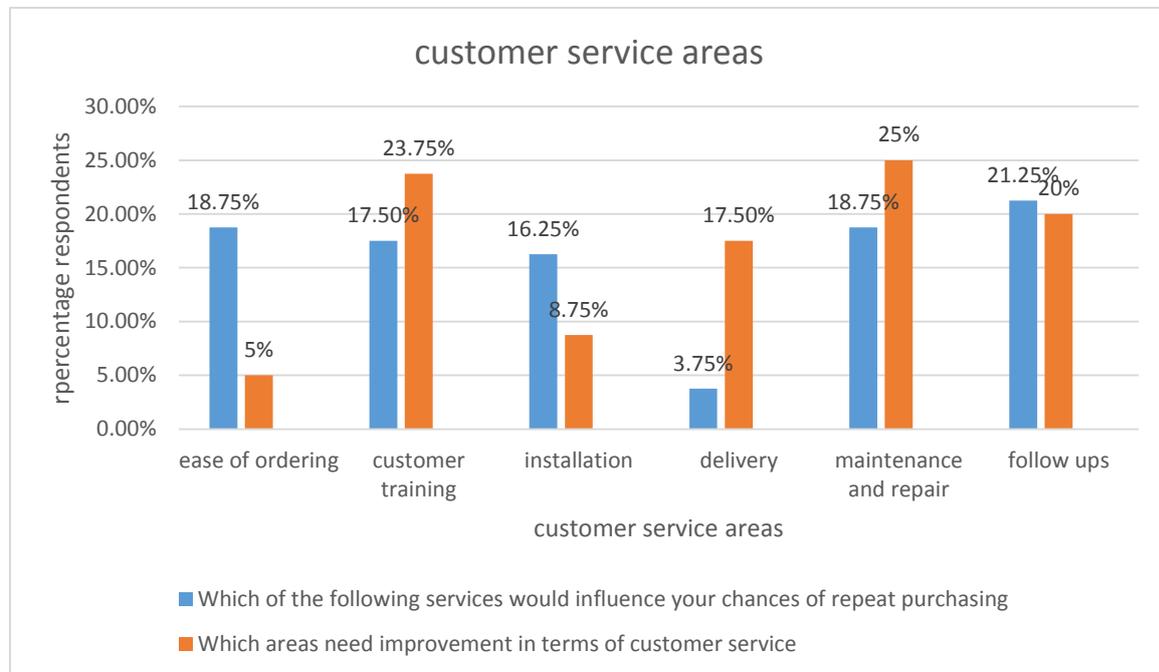
Fig 4.11 shows respondents views on customer service areas.

Fig 4.11 above shows that in response to the question 'which of the following services would influence your chances of repeat purchasing?', 18.75% said ease of ordering, 17.5% customer training, 16.25% installation, 3.75% delivery, 18.75% maintenance and repair and 21.25% follow ups. Most of the service areas almost had equal chances of influencing the respondent to make a repeat purchase and this supported by Fang et al 2007 who says companies with greater reliance on the service part of their business reportedly achieve better return on sales and improve their value. The graph also depicts service areas that need improvement and 5% said ease of ordering, 23.75% customer training, 8.75% installation, 17.5% delivery, 25% maintenance and repair, and 20% follow ups. These views are also supported by one interview respondent who said we have been concentrating on the product that we give the customer not realising that good customer service lures more customers for us from competitors who cannot offer that. Oliva and Kallenberg, (2003) concludes that products

remain the main source of profits and revenue, while customer service makes a marginal contribution.

4.6 Chapter Summary

This chapter presented the collected data and it was analysed and discussed. Graphical illustrations, tables and charts were used for presentation of information and analysis was done quantitatively and qualitatively. The next chapter summarises the whole research and it provides conclusions for each of the research objectives, recommendations and areas of further study.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Summary

Differentiation strategies exist in order to give companies leverage over their competitors. This research aimed at determining the usefulness or effectiveness of differentiation strategies when implemented in the Zimbabwean market environment particularly in the mobile phone industry. Company performance was determined along competitive advantage, customer satisfaction and repeat purchases. The main research objectives were to find out the usefulness of product differentiation as a source for competitive advantage, to determine the role of personnel differentiation in enhancing customer satisfaction and to find out the influence of customer service differentiation on repeat purchases. As it has been discussed in chapter 2, differentiation comes in various strategies and amongst these is product differentiation, customer service differentiation and personnel differentiation. Reviewing literature brought out the major benefits of differentiating strategies like increased customer satisfaction, creation of barriers to entry for newcomers, higher profitability, more chances of repeat purchasing, increased sales and a higher competitive advantage. It was also established in chapter two that for differentiation strategies to work out best they have to be difficult or too costly for competition to imitate. Chapter three highlighted the research methodology through procedures and steps taken to gather information. Data was collected in such a way that enables generation of valid and reliable results. Primary and secondary data was made use of to come up with a useful conclusion. The researcher made use of questionnaires and interviews as research instruments to gather information using non probability sampling techniques. The sample size was 92 and it comprised of employees and customers of Gtel. The findings were presented in the previous chapter through graphs, pie charts and tables with an aim of finding out answers pertaining to the effects of product differentiation on competitive advantage, role of personnel differentiation on enhancing customer satisfaction and influence of customer service differentiation on repeat purchases. Summary of the whole research, conclusions and recommendations were also presented in this chapter. . The researcher drew conclusions from the findings for each objectives and the differentiation concept as a whole and different views of authors were used.

The researcher went on to give recommendations to the company on the basis of the information gathered and reviewed literature as well as recommending areas of further study.

5.1 Conclusions

The research identified key differentiating strategies and their effects on company performance. The researcher went on to find the effect of product differentiation on competitive advantage , effect of personnel differentiation on customer satisfaction and the influence of customer service differentiation on repeat purchases.

5.1.1 Using product differentiation as a source for competitive advantage.

The researcher therefore concluded that product differentiation brings about competitive advantage but it depends on the dimension that the differentiation is coming from. Mishra et al (2006) says product differentiation strategy can be done through price, form, features, customisation, performance, quality, durability, reliability, reparability and style. It is also conclusive to say that customers are a crucial part in determining product differentiation form because the unique elements have to be valued by the customers targeted. Differentiation is unsuccessful when buyers do not value the additional features highly enough to buy the product in profitable quantities. This view accounts for the fact that product differentiation does not automatically give competitive advantage but is of advantage when customers value the differentiation and when the price of the final differentiated product exceeds the cost of producing it.

This research established that differentiation along quality and product features is likely to be more appreciated by customers and as postulated by Morgan et al (2004) who concluded that differentiation advantage is measured by higher product quality advantage and unique features. This also supported by statistical data from chapter four, 70% of the respondents said quality and product features appeal to them more and they would appreciate product improvement along those dimensions. The researcher also concluded that product differentiation strategy is a source for competitive advantage because 66.25% of the respondents agreed that they would be loyal to the brand if there is addition of unique product attributes from time to time. All the employees agreed that if the company differentiates its product it would counter competition.

5.1.2 Role of personnel differentiation on enhancing customer satisfaction.

From the research findings, the researcher concluded that personnel differentiation enhances customer satisfaction levels. The information gathered was in line with that of Armstrong and Kotler (2012) who said that personnel differentiation is important when customers deal directly with employees and they are the frontline defense against waning customer satisfaction. From this research it has been found out that personnel differentiation comes through training and job satisfaction.The findings also showed that most customers get satisfaction from personnel that is responsive, reliable, courteous and personnel that can communicate with them well. The research also established that personnel differentiation alone does not yield customer satisfaction but needs to be supported with a good product offering. Personnel differentiation only enhances customer satisfaction and this notion is supported by Bolman and Deal (2008) who concluded that the achievement of customer satisfaction is not just a one way road, the company has to design right products to meet the customer requirements and delivery of high quality services through dedicated, knowledgeable and differentiated employees. It was also established that customer satisfaction through differentiated personnel comes about through hiring the right people, training and developing employees as supported by Wilson et al (2008).The researcher also concluded that there is a strong relationship between customer satisfaction and personnel differentiation as it was found that most customers who express customer satisfaction through the employees are referrals of the organisation, they recommend the organisation to other customers. 63.75% of the respondents agreed that there is a relationship between personnel attitude and their satisfaction levels therefore differentiation around personnel would enhance customer satisfaction.

5.1.3 Customer service differentiation influence on repeat purchases.

The research findings also helped in concluding customer service differentiating strategy has a positive influence on repeat purchases as postulated by Garner and Garner (2004) who suggest that if an organisation wishes to continue doing business with customers in the future, they need to be apprehensive about their customer service. It was established that the customer alone cannot distinguish between good and bad customer service but it is the role of the company to enlighten the customer through outstanding customer service and the organisation should direct its efforts towards delivering what they feel is their level best. The research findings also concluded that a customer who experiences better customer service is more likely to come back to do business with the organisation. This conclusion is supported

by the findings from chapter four, 65% of the respondents agreed that customer service influences their chances of repeat purchasing. This simply means that if Gtel differentiates its customer service it will enjoy more repeat purchases.

5.2 Recommendations

The study presents the following recommendations:

- Gtel should incorporate the customers voice in coming up with product development and improvements.

- The organisation should pay particular attention to the quality and features of their product as it has been found that differentiating along those lines is valued by most customers.

- The organisation should also invest more in market research and R and D so that they study and analyse buyers' needs and behaviour carefully to learn what they consider important and valuable.

- As highlighted in the literature review product differentiating strategies bring a lot of benefits to the company such as competitive advantage, repeat purchases and enhanced customer satisfaction so Gtel should consider it.

- For successful differentiation, Gtel should focus on their customers as well as competitors.

- It should also be noted that differentiation is a constant process of development because markets become more demanding every day and it is hard to maintain the same differentiation level. Products that were unique yesterday are taken for granted today. For that reason it is crucial to constantly renovate business strategy as well.

- Personnel training should be an organisation priority so as to equip the workforce with required skills and knowledge that will help Gtel to serve clients satisfactorily.

5.3 Area of further study

For further studies it would be of great interest to conduct new surveys on a larger quantity of respondents, because it would give more complete and precise understanding of the effectiveness of differentiation strategies. It could also be interesting to expand the investigation to the whole of Zimbabwe to be able to compare the differentiation strategies used across the nation.

Furthermore, it would have been interesting to do this study in a combination of both consumer and company perspectives to see what other companies are doing and compare their strategies. The focus could also be put on the consumers instead of the company in order to find out how they perceive the differentiation strategies implemented by the companies, and to what extend this changes their behaviour.

In order to get more information, it could also be interesting to do the research on different companies and to cross-check information. This would permit to be sure that Gtel is not a particular case, and that the others companies work in the same way, or in contrary, what is interesting and different for each of them.

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Midlands State University
Established 2000

QUESTIONNAIRE for Gtel Customers.

I am a student at Midlands State University studying Bcom Marketing Management Honors Degree. I am undertaking a research, "The effectiveness of differentiating strategies on company performance." I am kindly requesting that you respond to the following questions on this sheet. The information you provide will be treated with a high level of confidentiality.

Instructions to the clients

Please tick where appropriate and insert answers in spaces provided. Thank you for your contributions.

Personal Information.

1. **Gender**

   Male ☐

   Female ☐

2. **Age**

   20 and below ☐

   21-30 ☐

   31-40 ☐

   41-50 ☐

   51 and above ☐

3. **For how many years have you been a client of Gtel?**

   1yr and below ☐   2-5 ☐   5-8 ☐

4. **How frequent do you buy from Gtel?**

Once in 3months ☐   once in 6months ☐

Once in 9months ☐   once in 12months ☐

5. **Other than Gtel, do you have another brand that you use?**

Yes ☐   No ☐

If your answer is yes please specify name of brand……………………………………….

Section A: This section is based on your experience with Gtel products.

1. **Which of the following product attributes made you buy a Gtel**

Durability ☐

Functionality ☐

Product features ☐

Quality ☐

Explain……………………………………………………………………………………
……………………………………………………………………………………………

2. **Which attribute appeal to you more when choosing a product?**

Durability ☐

Functionality ☐

Product features ☐

Quality ☐

Explain……………………………………………………………………………………
……………………………………………………………………………………………

3. How would you rate your overall experience with Gtel products?

Poor ☐   Fair ☐

Good ☐   Very Good ☐

Excellent ☐

Explain……………………………………………………………………………………
………………………………………………………………………………………………

4. Would adding new attributes to Gtel products make a customer loyal?

Strongly Disagree ☐   Disagree ☐   Neutral ☐

Agree ☐   Strongly Agree ☐

Section B: This section is based on your experience with Gtel personnel.

1. How would you rate your overall experience with Gtel employees?

Poor ☐   Fair ☐

Good ☐   Very Good ☐

Excellent ☐

Explain……………………………………………………………………………………
………………………………………………………………………………………………

2. Which areas of personnel improvement would you recommend to the company?

Competence ☐   Credibility ☐

Communication ☐   Responsiveness ☐

Reliability ☐   Courtesy ☐

3. **Which personnel attributes would make you a satisfied and loyal customer of GTEL**?

Competence ☐   Credibility ☐

Communication ☐   Responsiveness ☐

Reliability ☐   Courtesy ☐

4. Would personnel attitude affect overall satisfaction levels?

Strongly Disagree ☐   Disagree ☐   Neutral ☐

Agree ☐   Strongly Agree ☐

Section c: This section is based on your experience with Gtel's customer service.

1. **Which of the following services would influence chances of repeat purchasing?**

Ease of ordering or buying ☐   Installation ☐

Customer training ☐   Follow Ups ☐

Delivery ☐   Maintenance and Repair ☐

2. **How would you rate the customer service of GTEL**?

Poor ☐   Fair ☐

Good ☐   Very Good ☐

Excellent ☐

Explain……………………………………………………………………………………………
……………………………………………………………………………………………………

3. **Which areas need improvement in terms of the customer service?**

Ease of ordering or buying ☐   Installation ☐

Customer training ☐   Follow Ups ☐

Delivery ☐   Maintenance and Repair ☐

Explain…………………………………………………………………………………………………
……………………………………………………………………………………………………

4. Does good customer service influence your chances of repeated purchasing?

Strongly Disagree ☐   Disagree ☐   Neutral ☐

Agree ☐   Strongly Agree ☐

APPENDIX B

Interview guide for Gtel employees.

1. In your own opinion how, define differentiation?

2. What mainly do you think are the reasons for the continuous decline in sales?

3. How best can the above problem be curbed in your own opinion?

4. Do you think the price of the products matches the satisfaction levels they yield?

5. Do you think constant improving new product features would create loyal customers? Explain.

6. If the organisation is to use differentiation strategies, how best can it differentiate

a) Products?

b) Personnel?

c) Customer service?

7) Do you think differentiating products would increase the company's capacity to counter competition? Explain

8) If the company differentiates its personnel, do you think customer satisfaction levels would increase? Explain

9) Do you think differentiating along customer service would influence repeat purchases and brand loyalty? Explain

APPENDIX C

MIDLANDS STATE UNIVERSITY

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Gweru   **Fax: 260233**

Zimbabwe

FACULTY OF COMMERCE
DEPARTMENT OF MARKETING MANAGEMENT

To whom it may concern

Dear Sir/Madam

REQUEST TO CARRY OUT RESEARCH

Name………………………………Reg No……………...is a bonafide student at this institution in the Department of Marketing Management. He/ she is carrying out a research on ……………………………………………………………………………………………….. Any information you give him/her will be sorely for academic purpose. Please assist him/her in any way as possible.

Yours Faithfully

Mr Chokera

CHAIRPERSON