Study of the relationship between marketing mix, service quality, customer satisfaction and customer loyalty in the Smart phone market

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Abstract

As the Smart phone market is growing as well as the development of society, now Thailand is full of Smart phones. In 2012, the Android and IOS system Smart phone also occupied the Smart phone market quickly. It is estimated that the Smart phone market competition will be more intense. All kinds of brands of Smart phones will choose to cut prices to attract customers, and the Smart phone market competition will be fierce. More and more customers must face the choice of which goods to buy; the competition among the enterprises is becoming fiercer. So, simply satisfying the customers achieved already can not make the enterprises survive in the industry. Therefore, the essential purpose of enterprise has become how to retain the customers and cultivate customers’ loyalty. Under this background, writers in a large number of absorbing predecessors on the basis of existing research results, by investigating the influences among the marketing mix (7P), service quality, customer satisfaction and customer loyalty, expected to explore the mechanism of customer loyalty and provide Smartphone Enterprise certain help to win the competitive advantage from the perspective of customers.

This article will introduce the factors that can affect the customer loyalty from the marketing mix, service quality and customer satisfaction. Chapter 1 will introduce the whole study’s details including study questions, study benefits, scope of the study and the operating definition. Chapter 2 will review about the literature which includes
conceptual framework and research hypothesis. Chapter 3 will focus on the research in research design, research tools, and the data collection and data analyze. Chapter 4 will show the result of the study. Chapter 5 will be the conclusion and discussion after the study and research.

Keywords – Marketing mix, Service Quality, Customer satisfaction and Customer Loyalty

1. Introduction

As mobile broadband is finally gaining momentum in the kingdom, 2014 is shaping up to be another exciting year for the Thai ICT market. Operators will benefit from increased smart device usage, but will struggle with competition from OTT services at the same time. Fixed broadband growth will remain low, while regulatory challenges over mobile spectrum will continue to impede growth while the mobile gaming market is set to flourish.

The worldwide smart phone market reached yet another milestone, having shipped one billion units in a single year for the first time. Since the 21st century, more and more enterprises have started to realize the importance of increasing the customers’ satisfaction and customer loyalty for the enterprise’s survival and development in today’s increasingly competitive market environment. Because of the previous study showing that the cost of attracting new customers is 5 times to the cost of keeping the old customer, this means loyal customers can bring more benefits to the enterprises. There have been many scholars put forward that maintaining long-term relationships with customers, and improving customer satisfaction and customer loyalty is closely related to corporate profits and survival.

Under the external pressure of market competition, the study of factors that can affect customers’ loyalty management, so as to develop and implement the customer management, to provide comprehensive and differentiated services for customers and fulfill the customers’ high commitment are important guarantees for enterprises to keep long-term and bidirectional interaction relations with customers.

2. Literature review and hypothesis
The hypothesis is in the following:

**H1: Demographic characteristics can influence the customer satisfaction.**

- H1.1: The gender of customer can influence the customer satisfaction
- H1.2: The age of customer can influence the customer satisfaction
- H1.3: The nationality of customer can influence the customer satisfaction
- H1.4: The education level of customer can influence the customer satisfaction
- H1.5: The occupation type of customer can influence the customer satisfaction
- H1.6: The monthly income of customer can influence the customer satisfaction

**2.1 Marketing Mix**

In 1964, McCarthy proposed 4 P’s marketing mix, named by product, Price, Place and the channel and Promotion. Than in 1981, Booms and Bitner on the basis of this put forward 7 P’s marketing mix. The three added P are: increase the People, tangible demonstration (Physical Evidence) and Process these elements. The 7 P’s also constitutes the basic framework of service marketing.

The 7P is the basic of service marketing; it focuses on the service and stands in the point of view of customer. The 7P theory usually thinks about the customers’ waiting, the customers’ buying, the customers’ own consumption knowledge and the requirement of the customer who was contacted in the process of consumption.

According to many researchers found that the customer satisfaction and trust is being influenced by the price perception (Oliver, 1997; Peng & Wang, 2006; Chengetal, 2008). And customer satisfaction is how a customer evaluates the product performance (Gustafsson, Johnson and Roos, 2005). Varki and Colgate (2001), whereby customer satisfaction from pricing was found to positively affect overall customer satisfaction.

Enterprise should put the pursuit of customer satisfaction first, followed by effort to reduce the customer purchase cost, and fully notice the purchase convenience in the
customer purchase process (Professor Robert F. Lauter). The market competition in the overall competition for the customers, and whether they have customers or not, mainly depends on the relationship between corporate and customers, and customers’ satisfaction with the corporate products and service. Marketing mix factors are important for the customer satisfaction research. And improving customer satisfaction will increase the customer repurchase behavior (Cardozo. R.N.) The hypothesis is in the following:

**H2: Marketing mix factors can influence the customer satisfaction**

- H2.1: Product can influence the customer satisfaction
- H2.2: Price can influence the customer satisfaction
- H2.3: Place can influence the customer satisfaction
- H2.4: Promotion can influence the customer satisfaction
- H2.5: People can influence the customer satisfaction
- H2.6: Process can influence the customer satisfaction
- H2.7: Physical evidence can influence the customer satisfaction

**2.2 Service quality**

A business with high service quality will meet customer needs whilst remaining economically competitive. Improved service quality may increase economic competitiveness. This aim may be achieved by understanding and improving operational processes, identifying problems quickly and systematically, establishing valid and reliable service performance measures and measuring customer satisfaction and other performance outcomes.

SERVQUAL or RATER is a service quality framework. SERVQUAL was developed in the mid-1980s by Zeithaml, Paraseraman and Berry. SERVQUAL means to measure the scale of Quality in the service sectors. The SERVQUAL service quality model was developed by a group of American authors, 'Parsu' Paraseraman, Valarie Zeithaml and Len Berry in 1985. It highlights the main components of high quality service. The SERVQUAL authors were collapsed into 5 factors:

1. Reliability: The ability to perform the promised service dependably and accurately;
2. Assurance: The knowledge and courtesy of employees and their ability to convey trust and confidence;

3. Tangibles: An appearance of physical facilities, equipment, personnel and communication materials;

4. Empathy: A provision of caring, individualized attention to customers;

5. Responsiveness: Willingness to help customers and to provide prompts service.

Customer satisfaction is influenced by service quality, price, environment and individual differences. Zeithaml and Binter (1990) pointed out service quality equals customer satisfaction to some extent because these two concepts are the comparison between their expectation and the actual service they receive. Turel and Serenko(2006) found that perceived service quality and perceived value are the key constructs affecting the customer's satisfaction with mobile services. Some scholars (e.g. Parasuraman et al., 1985, 1988) believe that service quality leads to satisfaction.

Service quality decides customer satisfaction (Strandvik and Lijander 1994). And there is a positive relationship between service quality and customer satisfaction. Because service quality is the basic factor and it is also the most important factor that impacts customer satisfaction (Zeithaml&Bitner1996; Parasuraman, Zeithaml and Berry1994; Cronin and Taylor1992; Oliver1993; Bitner1990). The hypothesis is in the following:

Ho3: Service quality factors cannot influence the customer satisfaction

H3: Service quality factors can influence the customer satisfaction

Ho3.1: Tangible cannot influence the customer satisfaction

H3.1: Tangible can influence the customer satisfaction

Ho3.2: Reliability cannot influence the customer satisfaction

H3.2: Reliability can influence the customer satisfaction

Ho3.3: Responsiveness cannot influence the customer satisfaction

H3.3: Responsiveness can influence the customer satisfaction

Ho3.4: Assurance cannot influence the customer satisfaction

H3.4: Assurance can influence the customer satisfaction
Ho3.5: Empathy cannot influence the customer satisfaction

H3.5: Empathy can influence the customer satisfaction

2.3 Customer satisfaction and customer loyalty

Customer Satisfaction is a term frequently used in marketing. It is a measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction is defined as "the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals." In a survey of nearly 200 senior marketing managers, 71% responded that they found a customer satisfaction metric very useful in managing and monitoring their businesses. Customer satisfaction metrics measure subjective responses to factors such as pricing, product delivery, issue resolution, the company's ability to respond, dependability, and personalization. When companies measure customer satisfaction, they often survey a sample set, which is comprised of a predetermined number of customers. It is assumed that the data obtained from the sample set will represent the larger customer base. The different types of customer satisfaction metrics are used to gauge how well the company is meeting market expectations and identify areas that could benefit from improvements.

A degree of customer loyalty, it is a quantitative concept. And customer loyalty is due to the influence of the quality, price, service and other factors to make the customers have feelings about particular businesses’ products or services, and form degree of preference and long-term repurchase of the product or service. USA senior marketing expert Jill Griffin believes that customer loyalty is customer out of business or brand preference and repurchases degree. The real customer loyalty is a behavior, and customer satisfaction is a kind of attitude. According to statistics, when the ratio of enterprises retains customers increased by 5%, profit can be increased 25% to 100%. Many scholars also expressed directly that the loyal customer is the main source of enterprise’s competitive advantage. Therefore, to retain customer loyalty is a very important task for enterprise operators.

Customer loyalty is influenced by customer satisfaction directly (Cronin and Taylor, 1992). Goodman et. (1995) also pointed out that customer satisfaction leads to customer loyalty. And Fomell (1992) also mention customer satisfaction increases customer loyalty. Service quality, customer satisfaction and customer loyalty is very closely related (Kandampullly, 1998). Both the marketing mix and service quality have relationships with customer satisfaction and customer satisfaction has a relationship with customer loyalty. The hypothesis is in the following:

Ho4: Customer satisfaction cannot influence the customer loyalty
H4: Customer satisfaction can influence the customer loyalty
Figure 1: Conceptual Framework

Figure 1 was the conceptual framework of this study, it show the relationship among the demographic, marketing mix, service quality, customer satisfaction and customer loyalty. And the selected factors of each part.

3. Population and Sample

The population of customer used Smart phones in the Thailand. According to the information was given by IDC (International Data Corporation) which indicated the
population of customers who use Smart phones in Thailand is 284.4 million.

The sample size of this research based on Yamane (1973) recommended the formula for random sample size to study a research as below:

\[ n = \frac{N}{1 + Ne^2} \]

n = Numbers of Sample

N= Proportion of population in this study who use the Smart-phone in Thailand about 284.4 millions

e = Probability of error that is 0.05 or 5% (at 95% confidence level)

Calculation for the sample size for the study has been calculated according to the recommendation as follows:

n = 399.99 samples

After conclude this formula the sample size is approximately equal to 400 samples. Therefore, this study was collected 400 valid samples in order to complete the research.

3.1 Research Instrument

According to the research framework, the research focused on 6 parts:

Part 1  Demographic: Includes Gender, Age, Nationality, Education level and monthly Income. This research used nominal scale to measure the demographic data.

Part 2  Marketing Mix: Includes Product, Price, Place, Promotion, People, Process and Physical Evidence. This part will use nominal scale and Likert scale 5 point to measure it. It includes 7Ps which was ranked from very unimportant to very important.

Part 3  Service Quality: Includes 5 aspects which are Tangible, Reliability,
Responsiveness, Assurance and Empathy, and which was ranked from very dissatisfied to very satisfy. This part will use Likert scale 5 point to measure it.

Part 4 Customer satisfactions: This part will use the Likert scale 5 point to measure its data, and ranked from very dissatisfied to very satisfy from 6 factors. Customer Relationship, Production Performance, and Service Performance use the Likert scale 5 point and ranked from very unimportant to very important.

Part 5 Customer loyalty: Includes 4 factors which is Brand Image, Customer satisfaction, production performance and service performance will ranked from very dissatisfied to very satisfy.

3.2 Data Collection

There are 2 sections of the data collection. Primary data: Collect data from the questionnaire and the target group is customers in Thailand by random sampling people who using the Smart-phone. Secondary data: Collecting from textbook, articles, magazines and some related research for information in idea, theory study and references data.

3.3 Data Analysis

1. Descriptive Statistics are used to describe the basic features of the data was gathered in various ways.

1.1 Percentage: Used to analyze part 1 of questionnaire-demographic, such as: Gender, Age, Nationality, Education Level and Monthly Income.

2. Inferential Statistics are used to test hypothesis

2.1 Test is for hypothesis 1.1 Gender; 1.2 Age; 1.3 Nationality; hypothesis 1.4 Education Level and hypothesis 1.5 Monthly Income.

2.2 Pearson Product Moment Correlation Coefficient is a common measurement of the correlation (Line dependence) between two variables that are used for test hypothesis 2, 3, 4

4. Results

This study total collected 400 questionnaires from the internet. In the describe statistic, the result show the demographic of respondent which was male occupied 42.5% and female was 57.5%, the major age range was 21-30 years old (71.25%), the
major nationality of respondents was Thai (85.8%), major highest education level of respondents was bachelor (73.5%), the major occupation of respondents was students (33.75%), the major range of monthly income was 20,001-30,000 Baht (33.5%).
Test for hypothesis 1.1 Gender; 1.2 Age; 1.3 Nationality; hypothesis 1.4 Education Level and hypothesis 1.5 Monthly Income. According to the sig Value to consider the hypothesis: If sig value is larger than 0.05, then accept the Ho; otherwise if the sig value is less than 0.05, then reject Ho. The details were show in following:

**Table 1:** Correlation between demographic and customer satisfaction

<table>
<thead>
<tr>
<th></th>
<th>Gender</th>
<th>Age</th>
<th>Nationality</th>
<th>Highest level of education</th>
<th>Occupation</th>
<th>Monthly Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>sig result</td>
<td>sig</td>
<td>Result</td>
<td>sig</td>
<td>result</td>
<td>sig</td>
<td>Result</td>
</tr>
<tr>
<td>The overall satisfaction for the product location</td>
<td>.736</td>
<td>Accept</td>
<td>.548</td>
<td>Accept</td>
<td>.009</td>
<td>Reject</td>
</tr>
<tr>
<td>The overall satisfaction for the product quality</td>
<td>.396</td>
<td>Accept</td>
<td>.932</td>
<td>Accept</td>
<td>.033</td>
<td>Reject</td>
</tr>
<tr>
<td>The overall satisfaction for the product price</td>
<td>.298</td>
<td>Accept</td>
<td>.868</td>
<td>Accept</td>
<td>.122</td>
<td>Accept</td>
</tr>
<tr>
<td>The overall satisfaction for the staff service</td>
<td>.706</td>
<td>Accept</td>
<td>.214</td>
<td>Accept</td>
<td>.006</td>
<td>Reject</td>
</tr>
<tr>
<td>The overall satisfaction for the product price</td>
<td>.552</td>
<td>Accept</td>
<td>.707</td>
<td>Accept</td>
<td>.055</td>
<td>Accept</td>
</tr>
</tbody>
</table>
The overall satisfaction for the promotion activity | .935 | Accept | .972 | Accept | .870 | Accept | .467 | Accept | .008 | Reject | .424 | Accept

Purchase environment
Pearson Product Moment Correlation Coefficient is a common measurement of the correlation (Line dependence) between two variables that are used for test hypothesis 2, 3, 4.

**Table 2: Correlation between marketing mix and customer satisfaction**

<table>
<thead>
<tr>
<th>Product</th>
<th>sig</th>
<th>Result</th>
<th>Price</th>
<th>sig</th>
<th>Result</th>
<th>Place</th>
<th>sig</th>
<th>Result</th>
<th>Promotion</th>
<th>sig</th>
<th>Result</th>
<th>People</th>
<th>sig</th>
<th>Result</th>
<th>Process</th>
<th>Physical evidence</th>
<th>sig</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>The overall satisfaction for the product location</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The overall satisfaction for the product quality</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The overall satisfaction for the product price</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The overall satisfaction for the staff service</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The overall satisfaction for the purchase environment</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The overall satisfaction for</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
the promotion activity

About Pearson Correlation to test the relationship between marketing mix and customer satisfaction. If the sig > 0.05, then accept Ho; otherwise, if sig < 0.05, then reject Ho.

Table 3: Correlation between service quality and customer satisfaction

<table>
<thead>
<tr>
<th></th>
<th>Tangible</th>
<th>Reliability</th>
<th>Responsiveness</th>
<th>Assurance</th>
<th>Empathy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sig</td>
<td>Result</td>
<td>Sig</td>
<td>Result</td>
<td>Sig</td>
</tr>
<tr>
<td>The overall satisfaction for the product location</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
</tr>
<tr>
<td>The overall satisfaction for the product quality</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
</tr>
<tr>
<td>The overall satisfaction for the product price</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
</tr>
<tr>
<td>The overall satisfaction for the staff service</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
</tr>
<tr>
<td>The overall satisfaction for the purchase environment</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
</tr>
<tr>
<td>The overall satisfaction for the promotion activity</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
<td>Reject</td>
<td>.000</td>
</tr>
</tbody>
</table>

About Pearson Correlation to test the relationship between marketing mix and customer satisfaction. If the sig > 0.05, then accept Ho;
otherwise, if $\text{sig} < 0.05$, then reject $\text{Ho}$. 

Pearson Product Moment Correlation Coefficient has values between $-1 < r < 1$ mean the level of significance is: If $r$ has valuable ($-$) which indicates that $X$ and $Y$ have Negative Correlations; If $r$ has valuable ($+$) which indicates that $X$ and $Y$ have Positive Correlations; If $r$ has valuable (0) which indicates that $X$ and $Y$ have No Correlations; If $r$ has close to 1 which indicates that $X$ and $Y$ Correlations have Positive Correlation and the Correlation became stronger; If $r$ has close to $-1$ which indicates that $X$ and $Y$ Correlations have Negative Correlation and the Correlation became more and more strong; If $r$ has close to 0 which indicates that $X$ and $Y$ Correlation became more and more weak.

Table 4: Correlation between customer satisfaction and customer loyalty

<table>
<thead>
<tr>
<th>The corporate image of product is the reason why I chose to repurchase</th>
<th>The corporate has a great relationship with its customer</th>
<th>A good corporate product performance</th>
<th>The corporate performs a great service</th>
</tr>
</thead>
<tbody>
<tr>
<td>sig</td>
<td>Result</td>
<td>r</td>
<td>sig</td>
</tr>
<tr>
<td>The overall satisfaction for the product location</td>
<td>0.00</td>
<td>Reject</td>
<td>0.561</td>
</tr>
<tr>
<td>The overall satisfaction for the</td>
<td>.000</td>
<td>Reject</td>
<td>.553</td>
</tr>
<tr>
<td>product quality</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The overall satisfaction for the</td>
<td>.000</td>
<td>Reject</td>
<td>.535</td>
</tr>
<tr>
<td>product price</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The overall satisfaction for the</td>
<td>.000</td>
<td>Reject</td>
<td>.564</td>
</tr>
<tr>
<td>staff service</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The overall satisfaction for the</td>
<td>.000</td>
<td>Reject</td>
<td>.557</td>
</tr>
<tr>
<td>purchase environment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The overall satisfaction for the</td>
<td>.000</td>
<td>Reject</td>
<td>.549</td>
</tr>
<tr>
<td>promotion activity</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5. Conclusion

This study was found the Gender, Age, Highest level of education and Monthly income of demographic is not related to the customer satisfaction. Marketing mix is related to the customer satisfaction. Service quality is related to the customer satisfaction. Customer satisfaction is related to the customer loyalty, and they have a positive correlation.

6. Discussion

Based on the data which collected from 400 respondents. After surveying and analyzing these data, researcher found: Mostly, the smartphone’s user is female. That means the female customer is the main purchase power of the Smartphone. Customers who purchase the most Smartphones are the customer group in the 21-30 years-old and who have a Bachelors Degree and work for a company with 20,001-30,000 Baht monthly income.

In this research, Customer satisfaction includes the overall satisfaction for the product location, product quality, product price, staff service, and purchase environment and promotion activity. According the chapter 4 results shown, this research found that the gender of the customer can influence the overall satisfaction for the product location, product price, staff service, and purchase environment and promotion activity, except product quality. The age of the customer can influence the Customer satisfaction. The nationality of the customer can influence the overall satisfaction for product price, purchase environment and promotion activity, it cannot influence the overall satisfaction for the product location, product quality and staff service. The educational level of the customer can influence the Customer satisfaction. The occupation type of the customer can influence the overall satisfaction for the product quality and product price, but it cannot influence the overall satisfaction for the product location, staff service, and purchase environment and promotion activity. The monthly income of the customer can influence the Customer satisfaction.

1. In the research, price can influence the customer satisfaction. People can influence the customer satisfaction. Process can influence the customer satisfaction.
In the previous research, according to many researchers found that the customer satisfaction and trust is being influenced by the price perception (Oliver, 1997; Peng & Wang, 2006; Chengetal, 2008). And customer satisfaction is how a customer evaluates the product performance (Gustafsson, Johnson and Roos, 2005). Varki and Colgate (2001), whereby customer satisfaction from pricing was found to positively affect overall customer satisfaction.

And previous research already mentioned that enterprise should put the pursuit of customer satisfaction first, followed by effort to reduce the customer purchase cost, and fully notice the purchase convenience in the customer purchase process (Professor Robert F. Lauter). The market competition in the overall competition for the customers, and whether they have customers or not, mainly depends on the relationship between corporate and customers, and customers’ satisfaction with the corporate products and service. Marketing mix factors are important for the customer satisfaction research. And improving customer satisfaction will increase the customer repurchase behavior (Cardozo. R.N.)

2. According to the research, the 5 factors of service quality (Reliability, Assurance, Tangibles, Empathy and Responsiveness) can influence the customer satisfaction.

In the previous research, customer satisfaction is influenced by service quality, price, environment and individual differences. Zeithaml and Binter (1990) pointed out service quality equals customer satisfaction to some extent because these two concepts are the comparison between their expectation and the actual service they receive. Turel and Serenko (2006) found that perceived service quality and perceived value are the key constructs affecting the customer's satisfaction with mobile services. Some scholars (e.g. Parasuraman et al., 1985, 1988) believe that service quality leads to satisfaction.

Service quality decides customer satisfaction (Strandvik and Lijander 1994). And there is a positive relationship between service quality and customer satisfaction. Because service quality is the basic factor and it is also the most important factor that impacts customer satisfaction. (Zeithaml & Bitner 1996; Parasuraman, Zeithaml and Berry 1994; Cronin and Taylor 1992; Oliver 1993; Bitner 1990).

3. According to the research’s results, the researcher found that both marketing mix and service quality have a relationship with the Customer satisfaction, and Customer satisfaction also has a relationship with Customer loyalty.
In the previous research, Customer loyalty is influenced by customer satisfaction directly (Cronin and Taylor, 1992). Goodman et. (1995) also pointed out that customer satisfaction leads to customer loyalty. And Fomell (1992) also mention customer satisfaction increases customer loyalty. Service quality, customer satisfaction and customer loyalty is very closely related (Kandampully, 1998). Both the marketing mix and service quality have relationships with customer satisfaction and customer satisfaction has a relationship with customer loyalty.

7. **Implication of Business**

The Smartphone corporate should pay more attention on the Thai students and employees of companies who are 21-30 years-old ages with a Bachelor’s Degree education level and 20,001-30,000 baht monthly income in both male gender and female gender.

Smartphone design and Smartphone quality are very important for the customer. So, the corporate should focus on these two important points to improve the marketing mix type to attract more customers. Reasonable price and value also are important for the Smartphone corporate. The Smartphone corporate should establish more channels to customers to purchase Smart phone, especially in On-line and off-line channel. About the promotion aspects, the Smartphone corporate should pay attention to reduce the Smartphone’s price to attract customers. Smartphone corporate also needs to focus on advertisement, image promotion and gift promotion ways. On the people factor, the Smartphone corporate should train more responsible staff and focus on the communication between customer and staff, because these two points are very important for corporate. Staff attitude and reliable staff also are important for the corporate. The corporate should provide professional service to customers.

Smartphone corporate should focus on the corporate image, good relationship with customers, product performance and service performance, because these factors are important for a corporate to attract customers and keep the customer loyalty.

8. **Limitation & Further Research**
This research used Online Survey Tools to create the questionnaire and to collect the 400 questionnaires. Google Drive does not have enough programs to help me to analyze the data that was collected from Online Survey Tools. For example, the Online Survey Tools just helped me analyze the data and create statistic programs and some simple figures that were useless in the thesis. After opening statistic programs, the researcher must change the choice instead of numbers; it’s a waste of time. The researcher sent the questionnaire link by social chatting tools (Face book, we chat, and LINE) to friends, and the respondents helped to spread the link to their friends too.

This research just focused on some small parts that are marketing mix, service quality, customer satisfaction and customer loyalty. The way to collect the data by lack of fraction of coverage (sending the link one by one is too singular, maybe would have different results and feedback)

In the future research, this research should discuss how customer relationship management can influence the customer loyalty and the relationship between them. The research should use some more authority and convincing on-line websites to do the research questionnaire, and sending the questionnaire / collecting data more abroad, and survey in diversity categories.

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Gartner (2012). Gartner Says *Worldwide Sales of Mobile Phones Declined 3 Percent in Third Quarter of 2012; Smart phone Sales Increased 47 Percent.*


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Marc Einstein(2014), *Industry Principal for Digital Media and Telecoms*, Frost and Sullivan


**APPENDICES**

IV
The Smart phone brand that you are using now

□ Samsung □ Apple □ Huawei □ LG
□ Lenovo □ Others

Part 1: General Information

Please check (✓) by filling in the blank of each items of questionnaire below

1. Gender
   □ Male □ Female

2. Age
   □ Less than 20-years-old □ 21-30
   □ 31-40 □ Over 41

3. Nationality
   □ Thai □ others (Please specify) ___________

4. Highest level of education
   □ High School □ Bachelor □ Master □ Doctor

5. Please indicate one category that best description of your occupation.
   □ Student □ Owner of business
   □ Employee in private company □ Government’s employee
   □ Unemployed or Retired □ others (Please specify) ___________

6. Income/month (Baht)
   □ Less than 10,000 □ 10,001-20,000

IV
20,001-30,000 30,001-40,000

Part 2: Marketing Mix

7. How important of marketing mix factors of your smartphone? Please follow your real feeling to fill the blank by (√)

<table>
<thead>
<tr>
<th></th>
<th>Very unimportant</th>
<th>Unimportant</th>
<th>Neutral</th>
<th>Important</th>
<th>Very important</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Product</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Smart phone Design</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Smart phone Quality</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Smart phone Brand</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ Price</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The smart phone price is reasonable</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value of the smartphone (good price with good quality)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ Place</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>On-line</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Off-line</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mail-order</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Telephone</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ Promotion</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advertisement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Image promotion</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gift</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Reduce price**

<table>
<thead>
<tr>
<th>□ People</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Attitude</td>
</tr>
<tr>
<td>Staff is reliability</td>
</tr>
<tr>
<td>Staff is responsible</td>
</tr>
<tr>
<td>Communication between customer and staff</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>□ Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process of purchase smart phone( buy and pay)</td>
</tr>
<tr>
<td>Professional service to customer</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>□ Physical Evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilities of stores</td>
</tr>
<tr>
<td>Stores Environment</td>
</tr>
</tbody>
</table>

### Part 3: Service quality

8. How satisfied of service quality of your smart phone? Please use the (✔) to fill the blank

<table>
<thead>
<tr>
<th>Tangibles</th>
<th>Very dissatisfied</th>
<th>Dissatisfied</th>
<th>Acceptable</th>
<th>Satisfied</th>
<th>Very satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entity shop’s elegant environment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff clean attire</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ensure the product quality</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Part 4: Customer satisfaction

9. How satisfied of your own satisfaction about your smart phone? Please accord to your real feeling to select the level of your own satisfaction in (√)

<table>
<thead>
<tr>
<th>Reliability</th>
<th>Zero interest purchase</th>
<th>Overall satisfaction with the service quality</th>
<th>Overall satisfaction with the service quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responsiveness</td>
<td>Staff is willing to provide service</td>
<td>Staff’s good service attitude</td>
<td></td>
</tr>
<tr>
<td>Assurance</td>
<td>Staff check correct and efficient</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Empathy</td>
<td>Staff service different customers with personalized service</td>
<td>Reasonable arrangement on business hours</td>
<td>Concerned about the customer and provide convenient service</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Very dissatisfied</th>
<th>Dissatisfied</th>
<th>Acceptable</th>
<th>Satisfied</th>
<th>Very satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>The overall satisfaction for the product location</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The overall satisfaction for</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

IV
Part 5: Customer loyalty

10. How important of customer loyalty factors in your smart phone? Please use (√) to select your real feeling

<table>
<thead>
<tr>
<th></th>
<th>Very unimportant</th>
<th>Unimportant</th>
<th>Neutral</th>
<th>Important</th>
<th>Very Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>The corporate image of the products is the reason why I chose to shopping again</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The corporate has a great relationship with its customer</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A good corporate product performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The corporate performs a great service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Part 6: Additional Information from the respondents

11. Please describe or explain (in detail) your satisfaction, dissatisfaction, suggestion and/or comment on quality of any service: