

YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF MANAGEMENT STUDIES
MBA PROGRAMME

**THE EFFECT OF MARKETING MIX ON CUSTOMER SATISFACTION
AND RETENTION TO USE OF MITSUBISHI ELECTRIC AIR
CONDITIONER**

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MBA (ONLINE)

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ACADEMIC YEAR (2020-2023)

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**This thesis is submitted to the Board of Examiners in partial fulfillment of the
requirements for the degree of Master of Business Administration
(OMBA)**

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ACCEPTANCE

This is to certify that the thesis entitled “**The Effect of Marketing Mix on Customer Satisfaction and Retention to Use of Mitsubishi Electric Air Conditioner**” has been accepted by the examination Board for awarding Master of Business Administration (MBA) degree.

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ABSTRACT

This thesis aims to investigate the effect of marketing mix on customer satisfaction and retention to use of Mitsubishi Electric air conditioner. The objectives of the study are to examine the effect of marketing mix on customer satisfaction, to analyze the effect of customer satisfaction on retention to use and to analyze the moderating effect of after-sales service on the relationship between customer satisfaction and retention to use of Mitsubishi electric air conditioners. As per Raosoft calculator, minimum sample size is 132 out of 210 B2B customers used in this study as respondents. In this study, 135 samples are selected to collect the data using simple random sampling. This study uses both primary and secondary data. Primary data is collected through a structured questionnaire with a five-point Likert scale distributed to 135 B2B customers. Secondary data are collected from company reports, relevant textbooks, and some previous papers. In this study, the collected data are analyzed by descriptive and multiple regression analysis methods. Based on the research, process, people, physical evidence and promotion have positively significant effect on customer satisfaction. Moreover, customer satisfaction has a positively significant effect on customer retention of Mitsubishi Electric air conditioners. The findings also point out that after-sales service has fully effect on the relationship between customer satisfaction and retention to use. As per the research analysis, Mitsubishi Air Conditioners are perceived as high-quality products. To maintain and improve this perception, Mitsubishi should continue to prioritize product quality in its manufacturing processes, ensuring consistent excellence.

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LIST OF ABBREVIATIONS

B2B	- Business to Business
PMEH	- PEACE MYANMAR ELECTRIC HODING

CHAPTER 1

INTRODUCTION

The success of every business in today's competitive market depends on its ability to satisfy customers and retain them. Customer satisfaction and retention have become critical factors for every company to become successful.

Marketing is the art of making prospective customers interested in goods and/or services. Marketing mix refers to a set of controllable marketing tools that a company uses to promote its products or services to the target audience. In the marketing mix, Product refers to the tangible goods or intangible services that a company offers to meet the needs and wants of its customers. The product is at the heart of marketing which provides value to a customer and distinguishes the brand from its competitors. The amount of money customers is willing to pay for a product or service is what price represents. It is a crucial element that affects consumer perception and market positioning. Place, also known as distribution, focuses on making the product or service available to the target audience at the right time and in the right location.

Promotion involves all the activities a company engages in to communicate and promote its product or service to the target market. This includes advertising, public relations, sales promotions, and more. People refer to the individuals who interact with customers, whether they are employees, customer service representatives, or any other personnel. They play a role in shaping the customer's experience. Process refers to the procedures, systems, and mechanisms a company has in place to deliver its products or services to customers. A well-defined process can enhance customer satisfaction. Physical evidence relates to the tangible cues that customers use to evaluate the quality of a product or service. It includes factors like packaging, branding, and the overall environment (Kotler, 2006).

The elements of the marketing mix 7Ps have the effect on customer satisfaction. These elements work together to influence customer perceptions and experiences, which ultimately affect customer satisfaction. The succession of every business links to the satisfaction level of its customers. Customer satisfaction is an essential variable for the company in carrying out its operations. Customer satisfaction refers to the extent to which a customer's expectations have been met or exceeded by a product or service. It is a measure of how well a company has performed in delivering what the customer wants or needs. Customer satisfaction is an important factor that affects company performance. According to LaBarbera & Mazursky

(1983), Satisfaction influences repurchase intentions whereas dissatisfaction has been seen as a main reason for customer defection of purchase. Today's business company knows that customer satisfaction is a key component of the business, and it plays a vital role to expand the market value.

To enhance customer satisfaction, after-sale service is also one of the critical factors. The outcome of the consumer's view of the service dimensions, which encompass both technical and functional aspects, is what constitutes perceived service. Organizations operating within the Air con industry consider after-sales services to be a strategic component of their marketing plan. Through after-sales services, companies can reach a higher level of service quality, a higher level of customer satisfaction, and can maintain a constant competitive advantage.

If the company can enhance customer satisfaction, the company can retain their customers. Satisfied customers are more likely to continue doing business with a company over time, leading to increased loyalty and long-term value. Customer retention is the art of keeping the existing customers, rather than continuously investing in acquiring new ones. It's the outcome of consistently delivering exceptional value, nurturing genuine relationships, and creating an experience that makes customers choose brand as their trusted partner time and time again.

There are many brands of air conditioners available in the local market such as Samsung, Panasonic, Carrier, Media, Chigo, Daikin, etc. In Myanmar, Mitsubishi Electric products are exclusively distributed by Peace Myanmar Electric Holding Co., Ltd. (PMEH), a company established in 1994. PMEH specializes in importing and distributing HVAC products and their spare parts from Mitsubishi Electric. Serving as an authorized agent, PMEH plays a crucial role in distributing Mitsubishi Electric products across the country. To further enhance customer support, PMEH constructed a well-known service center on Strand Road in Ahlone Township in 1995, ensuring prompt assistance for customers. As the Aircon industry is extremely competitive, it becomes essential to study the effect of marketing mix on customer satisfaction and retention to use of Mitsubishi Electric Air Conditioners.

1.1 Rationale of the Study

Understanding the effect of marketing mix elements on customer satisfaction and retention to use is crucial for businesses in developing effective marketing strategies. Customer satisfaction plays an important role in the success and continuous existence of the company. Customer satisfaction is critical to any product or service because it is a strong predictor of customer retention and product repurchase (Kotler & Keller, 2012).

Customer satisfaction is important for the success of every organization. To attain customer satisfaction, it is essential to understand marketing mix elements 7Ps and the impact of After-sale service. The marketing mix, often represented by the 7Ps (Product, Price, Place, Promotion, People, Process, and Physical Evidence), is a fundamental framework for businesses to strategically plan and execute their marketing efforts. 7Ps framework offers a comprehensive approach to crafting effective marketing strategies. By identifying which elements of the marketing mix are most important in influencing customer satisfaction and retention, businesses can allocate their resources more effectively and prioritize their marketing efforts accordingly.

Today's market is more customer oriented in the sense all the business operations revolve around satisfying the customer by meeting their needs through effective service. Customer satisfaction is significantly influenced by the role that after-sales services play. After-sales service is important because it helps to ensure that customers are satisfied with their purchases and in case of any difficulty installing or setting up equipment, they can receive help. High satisfaction leads to greater customer retention. Customer retention is the lifeblood of business success. It's the foundation upon which sustained success is built. Acquiring new customers is important, but it's retaining existing customers that truly fuels growth.

Mitsubishi is the earliest Japan aircon brand imported to Myanmar. Mitsubishi Electric is one of the leading major players in the global air-conditioning equipment market, and it has a significant market share in several regions. Mitsubishi Electric is a major player and competes with other leading brands such as Daikin, LG, Samsung, and Panasonic. The market for air conditioning units is highly competitive, and Mitsubishi faces stiff competition from a variety of other brands and need to differentiate by providing exceptional customer service and building strong relationships with customers, especially business customers. Therefore, understanding the factors that influence customer satisfaction and retention is particularly important in this industry.

While there is a significant body of literature on the relationship between marketing mix elements, customer satisfaction, and retention, most of the existing studies have focused on consumer markets rather than business-to-business markets. This study will address this gap in the literature by focusing on business customers of Mitsubishi Electric Air Conditioner, the global leading and the earliest Japan aircon brand imported to Myanmar.

1.2 Objectives of the Study

The objectives of the study are as follows:

- (1) To examine the effect of the marketing mix on customer satisfaction of Mitsubishi Electric Air Conditioner
- (2) To analyze the effect of customer satisfaction on retention to use of Mitsubishi Electric Air Conditioner; and
- (3) To analyze the moderating effect of after sales service on the relationship between customer satisfaction and retention to use of Mitsubishi Electric Air Conditioner.

1.3 Scope and Method of the Study

This study focuses on the effect of marketing mix on customer satisfaction and retention to use of Mitsubishi air conditioners. This study also focuses on 210 B2B customers from Peace Myanmar Electric Holdings Co., Ltd. B2B customers, or business-to-business customers, are companies that procure products and services from Mitsubishi air conditioners to meet their internal operational needs. Unlike other customers, these customers purchase bulk quantities goods for their organization use and integration into their business processes.

The sample size calculation is based on Raosoft sample size calculator applied with 5% margin of error, 95% confidence interval, and response distribution (50%). As per Raosoft calculator, minimum sample size is 132 out of 210 B2B customers used in this study as respondents. In this study 135 samples were selected to survey using simple random sampling.

This study uses both primary and secondary data. Primary data are collected by using structured questionnaire with a five-point Likert scale from 1 (strongly disagree) to 5 (strongly agree). The questionnaire includes marketing mix, after-sales services, customer satisfaction and retention to use. Secondary data are collected from company reports, relevant textbooks,

and some previous papers. In this study, the collected data are analyzed by descriptive and multiple regression analysis methods. The survey period starts from June 2023 to August 2023.

1.4 Organization of the Study

This thesis paper is composed of five chapters. Chapter one describes the introduction, rationale of the study, objectives, scopes, and method of study. The theoretical background of the study including concept of marketing, marketing mix, customer satisfaction, after-sale service, customer retention, previous studies and conceptual framework of the study are described in Chapter two. Chapter three describes Air conditioner in Myanmar, evolution of Mitsubishi Electric Air conditioner, marketing practices of Mitsubishi Electric air conditioners and reliability analysis. Chapter four presents survey results for marketing mix, customer satisfaction, after-sale service, customer retention, and analysis on the effect of marketing mix elements on customer satisfaction, analysis on the effect of customer satisfaction on customer retention and moderating effects of after-sale service on the relationship between customer satisfaction and retention of Mitsubishi electric air conditioner. Chapter five describes findings and discussions, suggestions and recommendations, and needs for further research as an conclusion.

CHAPTER 2

THEORETICAL BACKGROUND

This chapter mainly presents the theory of marketing concept including marketing mix, customer satisfaction, after-sales service, customer retention, previous studies, and conceptual framework of the study.

2.1 Concept of Marketing

Marketing, as a multidimensional and dynamic concept, plays a pivotal role in shaping the success and sustainability of modern businesses. It encompasses a wide array of activities and strategies aimed at creating, communicating, delivering, and exchanging values to satisfy the needs and wants of customers while achieving organizational goals (Kotler et al., 2020). Understanding the marketing concept and its various components is essential for comprehending how the 7Ps of the marketing mix impact customer satisfaction and retention in the context of Mitsubishi air conditioners. The marketing concept represents a customer-centric approach to business operations. It emphasizes that organizations should align their strategies and activities with the needs and preferences of their target customers. This concept evolved over time, transitioning from a product-oriented approach to a customer-centric one (Levitt, 1960). It recognizes that customer satisfaction is paramount and achieving it leads to long-term success. Customer satisfaction, in turn, is closely tied to customer retention, as satisfied customers are more likely to remain loyal to a brand and continue purchasing its products (Reichheld, 1996).

The core idea of the Marketing Concept is to prioritize the needs and wants of customers and build strategies around satisfying those needs in a profitable manner. The marketing concept includes customer focus, integrated marketing, customer value and satisfaction, profitability, long term perspective, market orientation and ethical consideration. Marketing Concept shifted the traditional focus from product-centric approaches to a customer-centric approach, recognizing that the key to success lies in understanding and satisfying customer needs effectively.

The marketing mix is the combination of marketing activities that an organization engages in to best meet the needs of its targeted market. The aircon industry is characterized by a competitive market with various players offering different types of cooling solutions and

marketing strategies. By prioritizing customer needs and aligning products and strategies accordingly, aircon companies can build customer satisfaction, strong market positions and foster customer loyalty in a competitive market.

2.2 Marketing Mix

Marketing mix is a fundamental concept in marketing management that outlines the key elements a company uses to market its products and services. It shapes a company's approach to meeting customer needs and achieve organizational goals effectively. In essence, the marketing mix serves as a foundation for crafting a successful marketing strategy, allowing businesses to understand and influence consumer behavior. Moreover, the marketing mix is not static; it evolves in response to market dynamics, technological advancements, and changing consumer preferences. As businesses adapt to the ever-changing landscape, a deep understanding of the marketing mix and its related components remains essential for sustainable growth and success.

2.2.1 Marketing Mix 7Ps

The concept of the marketing mix was initially introduced by Neil Borden in 1953, and it was popularized by E. Jerome McCarthy in 1960 when introduced the "4Ps" - Product, Price, Place, and Promotion. However, as marketing practices evolved and services gained prominence, additional dimensions were added to the mix, resulting in the comprehensive 7Ps framework (Booms & Bitner, 1981). The Marketing Mix 7Ps is a strategic framework that encompasses Product, Price, Place, Promotion, People, Process, and Physical Evidence. The marketing mix can be characterized as a very effective business instrument that company management can employ to succeed in a highly competitive economy on a global scale. A crucial component of marketing management is the marketing mix.

Every company organization has as its primary objective to generate and maximize its profit. It is a fundamental concept in marketing strategy that guides organizations in creating a holistic and customer-centric approach to meet market demands effectively. Understanding the theoretical foundations of the 7Ps framework is essential for comprehending how these elements influence customer satisfaction and retention. Each element of the marketing mix represents a key decision area that marketers can manipulate to influence consumer behavior

and achieve specific marketing objectives. It helps in aligning product development, pricing, distribution, and promotional efforts to meet the needs and preferences of the target market.

Figure (2.1) Marketing Mix

The Marketing Mix						
Product	Price	Place	Promotion	People	Process	Physical Evidence
Quality	Positioning	Trade	Marketing	Individuals	Customer	Sales/Staff
Image	List	Channel	Communicati	on	Focus	Contact
Branding	Discount	Sales Support	ons	Marketing	Business-	Experience
Features	Credit	Channel	Personal	Activities	led	of Brand
Variants	Payment	Number	Promotion	Individuals	IT-	Product
Mix	Methods	Segmented	Sales	on Customer	Supported	Packaging
	Free of Value	Channels	Promotion	Contact	Design	Online
	Added		PR	Recruitment	Features	Experience
	Elements		Branding	Culture/Ima	Research	
				ge	and	
				Training and	Developme	
				Skills	nt	
				Remunerati		
				on		

Source: Booms & Bitner (1981)

In today's business climate, business is driven by the intense competition in the market to provide customers with high-quality goods and services that satisfy customer's need and wants at reasonable prices, and with effective and efficient marketing strategies.

(a) Product

Product is the actual offering that satisfies the needs of the target market. All the products are needed to meet the demand of customers. The key for a product is to know the problem or put the feature of goods or service and unique point of product for consumers (Diane, 2009). Product is defined as the goods and / or services offered by a company to its customers. This includes the design, features, quality, packaging, and branding of the product or service. Kotler and Armstrong (2010) defined the product as anything which is offered to a market to attend, acquire, use, or consume and it may satisfy the consumers. In the context of the marketing mix for the air conditioning (aircon) industry, "Products" refer to the range of air conditioning systems and solutions offered by a company.

This element focuses on the tangible and intangible features that make up the offerings provided to customers. Product Quality is the totality of features and characteristics of a product or service that depends on the ability it must satisfy expressed or implied needs. In the aircon industry, products include various types of air conditioning units, each designed to cater to different customer needs and preferences such as product types, features and specifications, design and aesthetics, brand reputation, warranties and support, customization, accessories, lifecycle considerations and innovation.

(b) Price

One of the most important marketing mix items is price and many scientists regard the price as one of the most important elements of the market, which increases not only profits but also market share. Price is the value that customers pay to purchase the product or service. This includes the pricing strategy, discounts, payment terms, and other factors that influence the perceived value of the product. In the context of the marketing mix for the air conditioning (aircon) industry, Price refers to the monetary value assigned to the various air conditioning products and services offered by a company. This element involves determining the optimal pricing strategy that considers factors such as production costs, market competition, perceived value, and customer affordability.

The customers are willing to give a premium price for image and want the high quality which can enhance price-inelastic (Bolton, 1989). Consumers tend to calculate higher prices with higher quality, and low prices are perceived as an indication of inferior quality (Rao & Monroe, 1988). According to Etgar and Malhotra (1981), they explained that most of the

consumers will observe high price goods and services equals to high quality. Pricing decisions in the aircon industry have significant implications for profitability, market positioning, and customer perceptions such as pricing strategies, market segmentation, competitive analysis, psychological pricing, discounts and promotions, price flexibility, value-added pricing, price transparency, dynamic pricing, and long-term considerations.

(c) Place

Place is the channels through which the product or service is made available to the target audience. A place is anywhere that the customer can obtain a product or receive a service (Kwon, 2011). This includes the location, logistics, inventory, and the distribution channels such as wholesalers, retailers, and online marketplaces. Place is the set of all activities necessary to get the product to the right customer when that customer wants it. In the context of the marketing mix for the air conditioning industry. Place refers to the distribution used to make air conditioning products and services available to customers. This element focuses on the various channels and methods through which customers can purchase, receive, and access the products, as well as the physical locations where transactions occur. It includes distribution channels, retail partnerships, online sales, showrooms, installation services, geographic reach, logistics and delivery, physical presence, accessibility, and distribution partners.

Numerous distribution strategies exist, such as intensive distribution, exclusive distribution, selective distribution, and franchising. Distribution helps customers and users to find and keep purchase those products from those manufacturers / providers with them at the time of need. The part of the marketing mix is distribution or place, which is full of decisions and actions related to the movement of goods from the producer to the consumer (Matola, 2009). In the aircon industry, choosing the right distribution strategy is essential for making products available to customers efficiently and effectively. Companies need to consider factors like the target market's preferences, convenience, and the level of support required, while also ensuring a seamless experience from purchase to installation and beyond.

(d) Promotion

Promotion is the method used to create awareness and persuade the target audience to purchase the product or service. Kotler (2001) defines promotion as activities that communicate the merits of the product and persuade target customers to buy it. The foundation of promotion is communication and then consists of all the communicative tools that pass on a particular message (Pool & Khaneh, 2011). Promotion includes advertising, personal selling, sales promotion, public relations, and other marketing communication channels.

In the context of the marketing mix for the air conditioning industry, Promotion refers to the activities used to communicate and promote air conditioning products and services to the target audience. This element focuses on building awareness, generating interest, and persuading customers to consider and purchase the offerings. It includes advertising, digital marketing, content marketing, public relations, influencer marketing, promotional events, sales promotions, trade shows and exhibitions, product demonstrations, online advertising, word of mouth, educational content, sponsorships, and partnerships.

In the aircon industry, effective promotion is essential for creating brand awareness, building customer trust, and driving sales. Companies should tailor their promotion strategies to their target audience's preferences, considering the channels they use and the messages that resonate with them. Consistent and strategic promotion can help establish the company's products as the preferred choice in a competitive market.

(e) People

People refer to the employees who interact with customers and deliver the service. It includes their skills, knowledge, appearance, and behavior. Personnel are viewed as both the most important component of a customer-centered business and a tool to distinguish between other variables such as products, services, channels, and brand image (Kotler, 2000). It includes customer service, sales personnel, installation and maintenance technicians, technical support, training and expertise, professionalism, relationship building, communication skills, empathy, continuous training, and feedback collection.

In the marketing mix for the air conditioning industry, People refers to the human element involved in delivering products and services to customers. This element focuses on the people who interact with customers, provide support, and contribute to the overall customer experience. In the aircon industry, the People aspect plays a significant role in ensuring

customer satisfaction and building long-term relationships. The People aspect is crucial for delivering quality service, building trust, and creating positive brand perceptions. Investing in training, hiring skilled professionals, and fostering a customer-centric culture can enhance the overall customer experience and differentiate the company from competitors.

(f) Process

The procedures and systems employed to deliver the service are what process encompasses. It includes the steps involved in the service delivery, the technology used, and the efficiency and effectiveness of the process. According to Kitti et al (2009), the customer is given a clear indication of both service providers' skill and the process's speed. In the marketing mix for the air conditioning industry, Process refers to the set of activities, procedures, and workflows that are designed to ensure a seamless and efficient delivery of products and services to customers. This element focuses on the behind-the-scenes operations that contribute to a positive customer experience and overall satisfaction. It includes ordering process, installation process, maintenance and servicing, customer support, quality assurance, response time, communication channels, feedback collection, inventory management, coordination and collaboration, training, and skill development. In the aircon industry, a well-structured and effective process is essential for delivering reliable and high-quality air conditioning solutions. In the aircon industry, a well-defined and efficient process ensures that customers receive consistent, high-quality service and products. An optimized process contributes to customer satisfaction, reduces errors, and helps the company maintain a competitive edge in a rapidly evolving market.

(g) Physical Evidence

Physical Evidence refers to the tangible elements that customers perceive when they interact with the service. It includes the environment, equipment, and other physical aspects that affect the customer's perception of the service quality. Physical evidence is tangible proof that can be connected to a product. Therefore, businesses should design an environment that allows them to emphasize the truth to clients (Rathmell, 1974). In the marketing mix for the air conditioning industry, Physical Evidence refers to the tangible elements that provide visual and sensory cues to customers about the quality, reliability, and value of the products and services being offered.

This element focuses on creating a positive and credible impression through physical touch points that customers interact with during their journey with the company. It includes product appearance, showrooms and retail spaces, installation quality, documentation, branding elements, service vehicles, physical materials, testimonials and reviews, maintenance and repair, customer communications, energy efficiency labels, certificate, and awards. In the aircon industry, the Physical Evidence element helps customers form perceptions about the company's offerings and overall reliability. Investing in the quality of physical touchpoints ensures that customers receive consistent and positive interactions.

2.3 Customer Satisfaction

Customer satisfaction is a critical concept in business and marketing that measures how content or pleased customers are with a product, service, or overall experience provided by a company. Customer satisfaction is the perception or feeling of fulfillment or contentment that customers experience after interacting with a company's products, services, or brand. It plays a pivotal role in building and maintaining a loyal customer base, improving brand reputation, and driving business growth. Customer satisfaction is important for long-term success in business and is one of the most crucial research topics in marketing (Nam et al., 2011). Customer satisfaction is a central concept in the field of marketing and business management. It represents the culmination of a customer's evaluation of their interactions with a company's products, services, or brand. Understanding the theoretical foundations of customer satisfaction is vital for comprehending its significance in shaping consumer behavior and its implications for business success.

Customer satisfaction is commonly defined as the level of contentment or fulfillment experienced by a customer following their engagement with a product, service, or overall experience provided by a company (Oliver, 1980). It is a multidimensional construct that encompasses various aspects, including the perception of product quality, value for money, customer service, convenience, and overall experience (Anderson & Sullivan, 1993). Satisfied customers are more likely to remain loyal, make repeat purchases, and have a higher customer lifetime value (Reichheld & Sasser, 1990). This leads to increased profitability and reduces the cost of acquiring new customers. Understanding customer satisfaction and its determinants enables businesses to design strategies that align with customer needs and preferences. It guides product development, pricing strategies, customer service initiatives, and marketing efforts.

Organizations that prioritize customer satisfaction are more likely to thrive in competitive markets and build enduring customer relationships.

One of the primary reasons Customer Satisfaction is vital for air conditioning companies is its role in building trust and credibility. When customers are satisfied with the products and services provided, they are more willing to trust the company. Trust is the foundation of any successful business relationship, and in the air conditioning industry, where customers rely on the efficiency and reliability of the products, trust plays a pivotal role. Satisfied customers are more likely to recommend the company to others, leading to positive word-of-mouth marketing and increased credibility in the market. Happy customers are more willing to make repeat purchases and are more likely to invest in higher-end air conditioning systems or additional services offered by the company. Satisfied customers are also more receptive to upselling and cross-selling efforts, leading to increased sales and revenue. Positive customer experiences create a domino effect, attracting new customers and retaining existing ones, ultimately contributing to the company's financial growth and stability.

In the highly competitive air conditioning industry, customer satisfaction provides a significant competitive advantage. A company that consistently delivers exceptional customer experiences stands out among its competitors. Positive reviews, testimonials, and customer feedback serve as powerful marketing tools, attracting potential customers and setting the company apart from competitors who may not prioritize customer satisfaction. In a market where choices are abundant, customers are more likely to choose a company with a proven track record of satisfying its customers. Customer satisfaction plays a crucial role in reducing customer churn, which refers to the rate at which customers stop doing business with a company. When customers are dissatisfied, they are more likely to switch to competitors, leading to increased churn rates.

On the other hand, satisfied customers are less likely to leave, reducing churn rates and ensuring a stable customer base. By focusing on customer satisfaction, air conditioning companies can minimize customer churn, thereby maintaining a consistent revenue stream and sustainable business growth. Satisfied customers provide valuable feedback that can be used to improve products and services. Their insights and suggestions help air conditioning companies identify areas of improvement, enhance product features, and tailor services to meet customer needs more effectively. By actively listening to customer feedback and incorporating it into product development and service strategies, companies can create offerings that align with customer preferences, leading to higher satisfaction levels and increased customer retention.

Satisfied customers are more forgiving and understanding when the company faces challenges or changes, such as price adjustments or product upgrades. They are more likely to accept and adapt to these changes, provided they are communicated transparently and with empathy. This adaptability is essential in an industry where technological advancements lead to frequent changes in product features and specifications. Customer satisfaction ensures that customers are willing to evolve with the company, embracing new offerings and changes in the market landscape. Customer satisfaction fosters a sense of trust and open communication between the company and its customers. Satisfied customers are more likely to engage with the company, provide feedback, and participate in loyalty programs or surveys. This engagement provides valuable insights that can be used to further improve products and services. Additionally, when customers feel their opinions are valued and acted upon, they are more likely to remain loyal to the company, appreciating the effort made to meet their needs and preferences.

Customer satisfaction plays a pivotal role in shaping and managing a company's reputation in the market. Positive customer experiences generate favorable reviews, testimonials, and ratings, enhancing the company's reputation and brand image. On the contrary, dissatisfied customers can tarnish the company's reputation through negative reviews and social media posts. By ensuring customer satisfaction, air conditioning companies can safeguard their reputation, creating a positive image that attracts new customers and retains existing ones.

2.4 After-sales Service

After-sales service plays a pivotal role in contemporary business environments. After-sales service refers to the range of activities and support mechanisms a company offers to customers following a purchase (Lusch & Nambisan, 2015). These activities are designed to ensure that customers are satisfied with their purchase, can use the product or service effectively, and receive assistance in case of issues or inquiries. After-sale service can take various forms, including technical support, warranty services, repairs, maintenance, and customer helplines. After-sale service, also known as post-purchase service or customer support, is a critical component of a company's customer relationship management strategy. It encompasses the assistance, support, and maintenance provided to customers after they have made a purchase.

Understanding the theoretical foundations of after-sale service is essential for comprehending its role in enhancing customer satisfaction, retention, and overall business success. Providing excellent after-sale service enhances customer satisfaction and fosters loyalty (Crosby et al., 1990). Satisfied customers are more likely to return for repeat purchases and become advocates for the brand. A customer-centric approach is central to effective after-sale service. It involves actively listening to customer needs, responding promptly to inquiries, resolving issues efficiently, and continuously seeking ways to improve the customer experience. A customer-centric strategy helps build trust and long-term relationships (Verhoef et al., 2010). In an era of increased competition and customer empowerment, companies that invest in quality after-sale service are better positioned to thrive and build enduring customer relationships.

Prompt and efficient after-sales service is fundamental in ensuring customer satisfaction. When customers know that they can rely on the company to address any issues, provide technical support, and offer maintenance services, they feel more confident in their purchase. The peace of mind that comes with knowing there is a support system in place significantly enhances the overall customer experience. Whether it's troubleshooting technical problems or assisting with installation queries, a responsive after-sales service team instills confidence in customers, strengthening their relationship with the brand.

In a market saturated with various air conditioner brands and models, exceptional after-sale service can be a key differentiator. This service encompasses a range of activities, including technical support, maintenance, repair services, and customer assistance. Exceptional after-sales service fosters customer retention. When customers receive prompt and effective support after their purchase, they are more likely to remain loyal to the brand. Customers who experience outstanding after-sales service are more likely to become repeat buyers and recommend the brand to others. The personal touch and attention to customer needs during the after-sales phase create a sense of loyalty that extends far beyond the initial transaction, ensuring long-term customer retention.

Consistent and reliable after-sales service can build trust. Customers are more likely to remain loyal to a brand they can rely on, both in terms of product quality and customer support. Positive experiences with after-sales service led to word-of-mouth recommendations. Efficient after-sales service significantly contributes to customer retention. Customers who receive excellent support are more likely to remain loyal, leading to long-term relationships and recurring business. Companies that invest in after-sales service not only retain customers but

also create a legion of satisfied advocates who amplify the brand's reputation through positive word-of-mouth. In today's consumer-driven landscape, where customer experience is paramount, after-sales service stands as the cornerstone upon which successful and enduring customer relationships are built.

2.5 Customer Retention

Customer retention is a crucial concept in the field of marketing and business management. It refers to a company's ability to maintain and nurture its existing customer base over time, ensuring that customers continue to do business with the company rather than defecting to competitors. Understanding the theoretical foundations of customer retention is essential for comprehending its significance in building long-term customer relationships and driving sustainable business growth.

Customer retention is defined as the process of encouraging customers to continue doing business with a company by fostering long-term loyalty and repeat purchases (Reichheld, 1996). It signifies the ability of an organization to retain a substantial portion of its customers over time. Effective customer retention strategies involve a combination of tactics, including customer relationship management (CRM) systems, data analytics to identify at-risk customers, personalized marketing, and continuous feedback collection (Reichheld & Teal, 1996). Customer retention is a fundamental objective for businesses seeking sustainable growth and profitability. The ability to retain and nurture existing customers hinges on a company's commitment to delivering quality products, excellent customer service, and personalized experiences. In a competitive marketplace, customer retention strategies are instrumental in building lasting customer relationships and ensuring long-term business success.

Customer retention is instrumental in ensuring the financial stability of air conditioning companies. While the acquisition of new customers is undeniably important, the consistent revenue streams provided by loyal, existing customers serve as the lifeblood of any business. These steady income sources offer a predictable financial landscape, enabling companies to plan their investments, expansions, and operational strategies with a degree of certainty that is otherwise unattainable in a volatile market. Loyal customers often become ambassadors for a brand, willingly sharing their positive experiences with friends, family, and colleagues. In the competitive landscape of the air conditioning industry, positive word-of-mouth can

significantly amplify a company's reputation, acting as an organic marketing channel that money can't buy.

Furthermore, customer retention is intricately linked with the concept of customer lifetime value. Retained customers offer a treasure trove of opportunities. Through cross-selling and up-selling endeavors, companies can introduce new products or services to an audience that has already demonstrated trust in the brand. This receptivity significantly enhances the lifetime value of the customer, leading to increased revenue streams over the long term. Repeat purchases have become a testament to the successful interplay between product quality, customer service, and customer satisfaction.

Additionally, the role of customer retention in reducing marketing costs cannot be overstated. Acquiring new customers is a costly endeavor, demanding substantial investments in marketing and advertising. In stark contrast, existing customers, when satisfied and retained, reduce the need for extensive marketing campaigns. These customers, already familiar with the brand, require minimal persuasion to make additional purchases. Moreover, the data gathered from existing customers, including their preferences and behaviors, can be leveraged to craft highly targeted marketing campaigns. This targeted approach significantly improves conversion rates, maximizing the return on marketing investments.

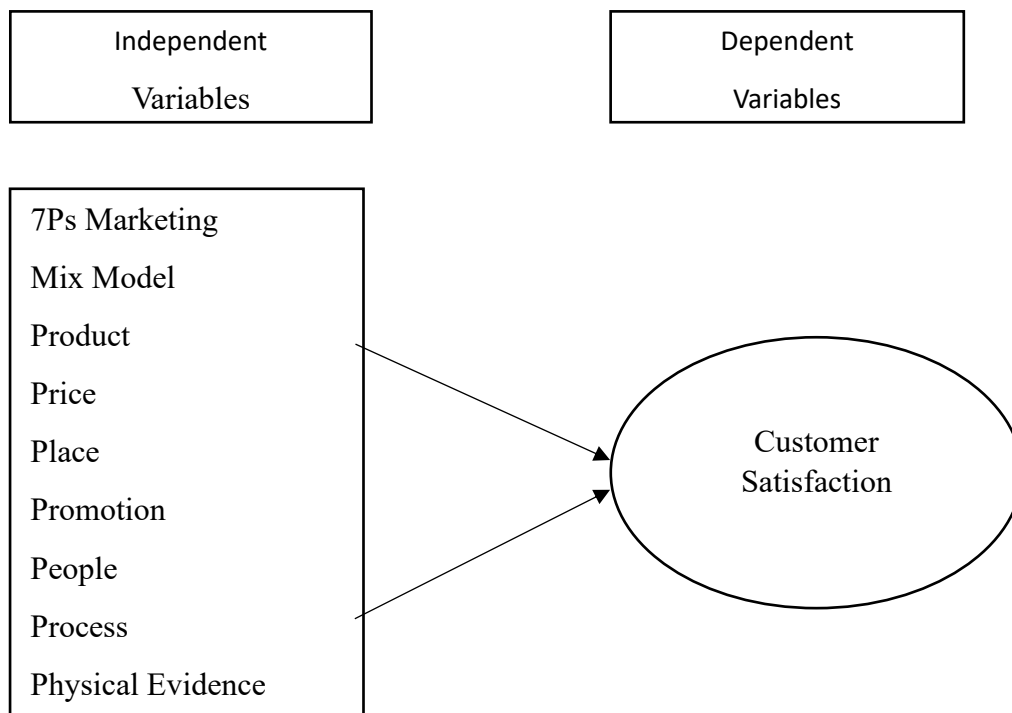
Moreover, fostering long-term relationships is a key outcome of effective customer retention strategies. A customer-centric approach, where the needs and preferences of customers are placed at the forefront of business operations, is essential. Companies that prioritize customer satisfaction often engage in active listening, gauging customer feedback to adapt products and services according to evolving preferences. This adaptability ensures that the company remains relevant, aligning its offerings with customer needs, thus fostering enduring relationships built on mutual trust and understanding.

Customer retention plays a pivotal role in ensuring the sustainable growth of air conditioning companies. Market stability, often elusive in the face of ever-changing consumer preferences and market trends, can be bolstered by a loyal customer base. While new customer acquisition might fluctuate in response to market dynamics, existing customers provide a buffer, ensuring a certain level of stability. Moreover, these retained customers act as valuable touch points, providing insights into market trends and shifts in consumer demands. By staying attuned to these insights, companies can proactively adapt their strategies, ensuring they are always one step ahead of the competition.

2.6 Previous Studies

Mohammad (2015) did the research titled 7Ps Marketing Mix and Retail Bank Customer Satisfaction in Northeast Nigeria. The objective of the study is to assess the relationship between 7Ps marketing mix and bank customer satisfaction and determine the strongest and the weakest drivers of bank customer satisfaction among the 7Ps in Northeast Nigeria.

Figure (2.2) Conceptual Framework of Mohammad

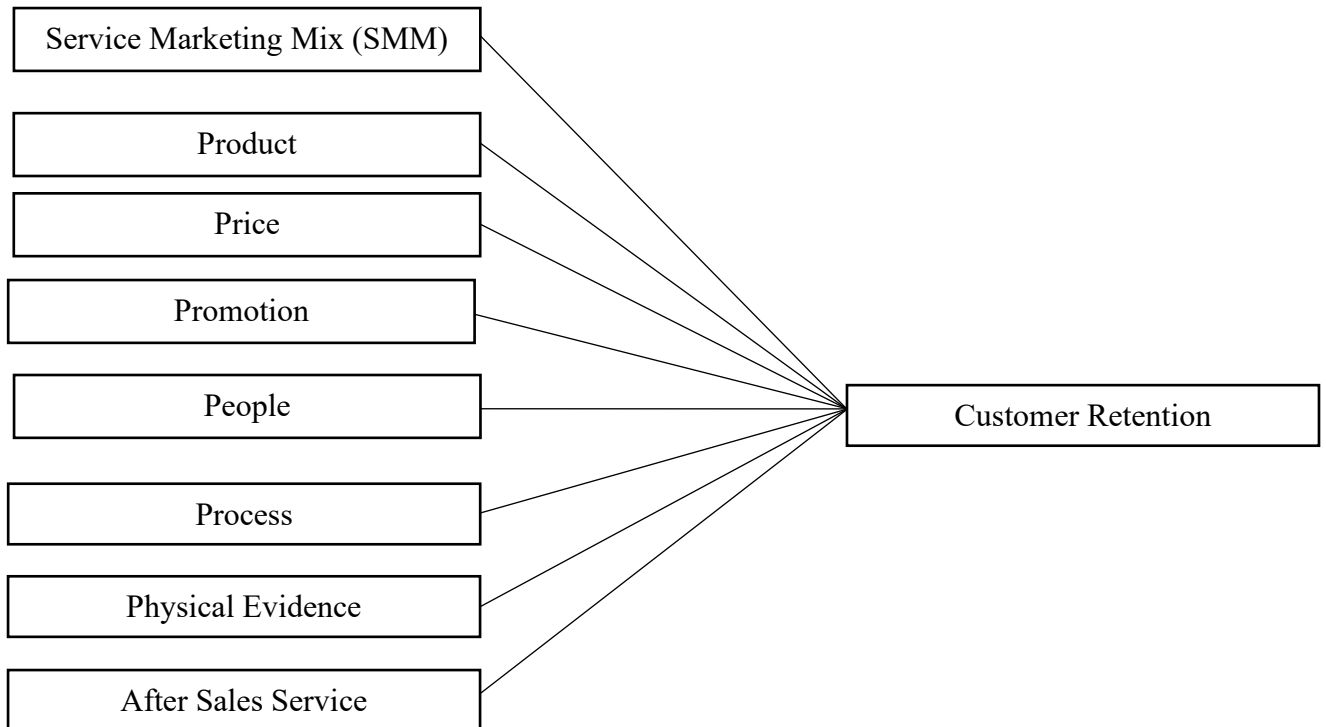


Source: Mohammad (2015)

The study targeted 140 respondents of Academic and Senior Non-academic staff of universities and polytechnics in Northeastern region of Nigeria. The conceptual framework of Mohammad (2015) is shown in Figure (2.2). As a result of this study, the research confirmed that product, process, and physical evidence significantly affected customer satisfaction while price, place, promotion, and people were not significantly related to customer satisfaction.

Othman and Zheng (2021) studied about the effect of service marketing mix elements and customer retention towards clothing store brands in China. The objective of the study is to explore the relationship between marketing mix 7ps towards customer retention.

Figure (2.3) Conceptual Framework of Othman & Zheng

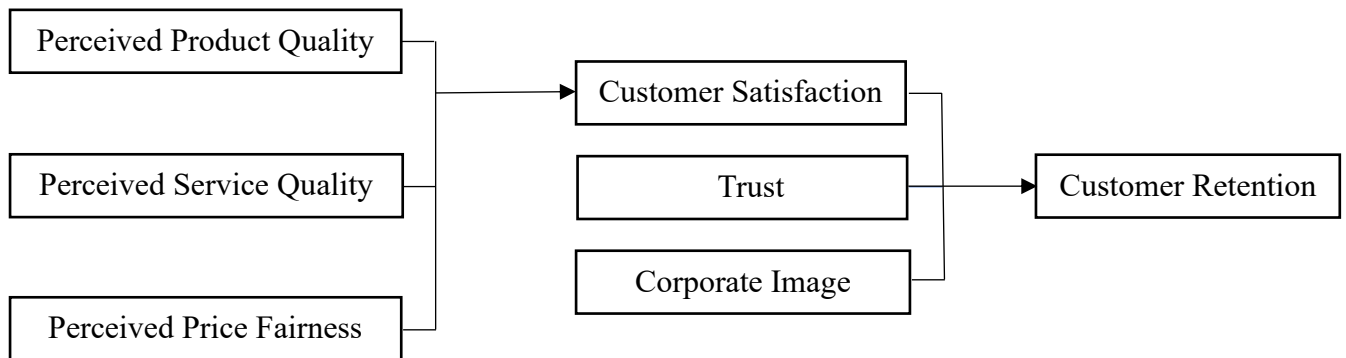


Source: Othman & Zheng (2021)

The study targeted 267 respondents (44.6% male participants and 55.4% women participants). The conceptual framework of Othman & Zheng (2021) is shown in Figure (2.3). The result of the research confirmed that the service marketing mix had a significant positive impact on the retention of customers. The study clarified that it is not possible to achieve the development of customer retention by a single dimension, but the entire dimension inherent in the marketing mix.

Yilmaz and Keman (2017) studied a paper titled An Applied Study on the Customer Retention Dynamics of Organized Ready-To-Wear Textiles Retailers in Real and Virtual Markets in Turkey. The objective of the study was to measure the respondents' (top managers) attitudes towards customer satisfaction and customer retention and to explore the relationship between perceived product qualities, service quality and price fairness towards customer satisfaction and customer retention. The conceptual framework of (Yilmaz & Keman , 2017) is shown in Figure (2.4).

Figure (2.4) Conceptual Framework of Yilmaz & Keman



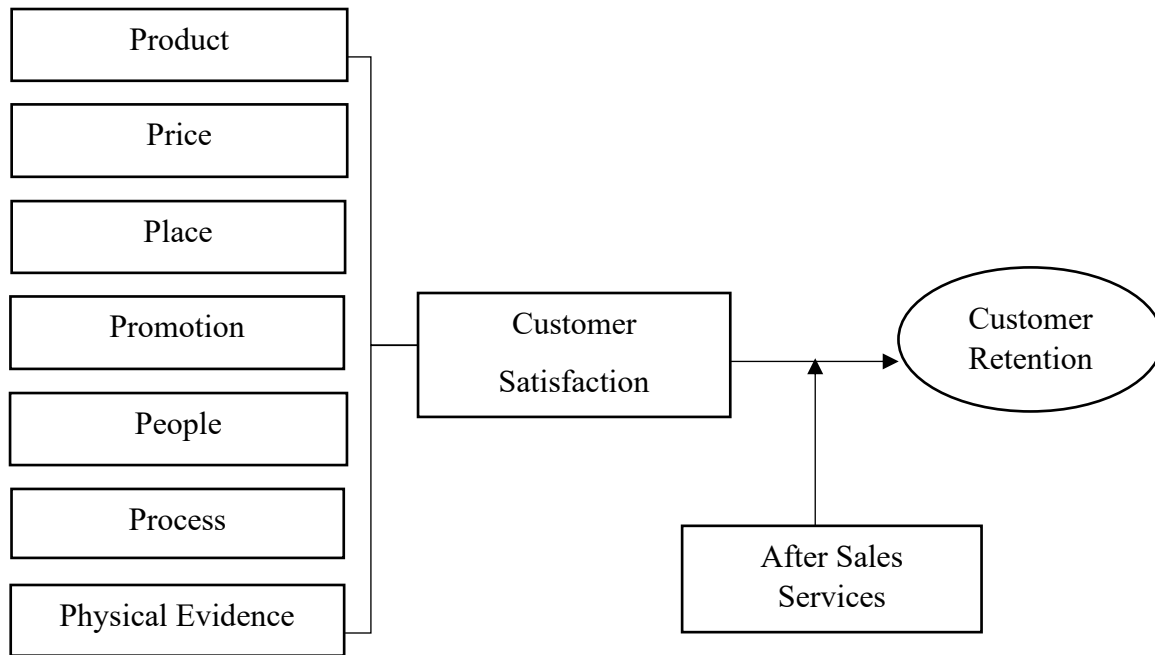
Source: Yilmaz & Keman (2017)

The study population was selected 46 respondents (out of 54 companies), members of the United Brands Association (BMD), who are organized ready-to-wear retailers operating both in real and virtual markets with own website. The research result indicated that perceived product quality, service support and complaint handling, customer experience and suggestions provided and perceived price fairness have significant and positive effects on customer satisfaction. Furthermore, the research implied that customer satisfaction, trust towards service provided, trust towards company and brand, corporate reputation and corporate social responsibility have significant and positive effects on customer retention.

2.7 Conceptual Framework of the Study

The conceptual framework of this study was based on the relationship between marketing mix on customer satisfaction and retention to use of Mitsubishi electric air conditioner. This conceptual framework is derived from the previous research papers written by Mohammad (2015), Othman & Zheng (2021), and Yilmaz & Keman (2017).

Figure (2.5) Conceptual Framework of the Study



Source: Own Compilation (2023)

Figure (2.5) is structured based on the concept of marketing mix on customer satisfaction and retention to use. The conceptual framework intends to understand the effect of the marketing mix on customer satisfaction and retention to use. By investigating the relationship between the marketing mix and customer satisfaction and retention of Mitsubishi air conditioners, this conceptual framework provides insights to enhance marketing strategies. It examines how the interplay of these elements influences customer perceptions, preferences, and their decision to repurchase Mitsubishi air conditioners. Mitsubishi can utilize this study to develop targeted marketing initiatives and create a positive customer experience, resulting in improved satisfaction and increased customer retention.

CHAPTER (3)

PROFILE AND MARKETING MIX OF MITSUBISHI ELECTRIC AIR CONDITIONERS IN MYANMAR

Effective marketing practices are essential for the successful adoption of air conditioning in Myanmar. This chapter is mainly focus on the company profile, background of Air Conditioners industry and highlighted overview of marketing practices of Mitsubishi Air Conditioners in Myanmar.

3.1 Air Conditioner Industry in Yangon

Air conditioning industry in Yangon, Myanmar, is experiencing growth and evolving to meet the changing demands of the market. Yangon, being the largest city and the economic hub of Myanmar, has seen an increased demand for air conditioning due to its tropical climate characterized by high temperatures and humidity. Yangon has been undergoing rapid urbanization and economic development, leading to an increase in construction activities, commercial spaces, and residential buildings. As more people moved to urban areas, the demand for modern amenities like air conditioning grew.

The air conditioner market in Yangon serves both the commercial and residential sectors. Shopping malls, office buildings, hotels, restaurants, and other commercial establishments require air conditioning for the comfort of customers and employees. In the residential sector, middle-class families and those with higher disposable incomes are investing in air conditioning to enhance their quality of life.

There are many brands of air conditioners which are being used in commercial and industrial buildings. As demand grows, various international and local air conditioner brands compete to capture a share of the market. This competition leads to diverse offerings in terms of pricing, features, and energy efficiency. In fact, various brand of air conditioners such as Mitsubishi, Daikin, Panasonic, Hitachi, Samsung, LG, Chigo, Media, TCL, York, etc. are manufactured in Thai, China, Korea, and Japan. The demand and usage of air conditioners is increasing year on year and according to the statistics, the sales volume in year 2017 reached up to 224,000 units.

Table (3.1) Sales Volume for Air Conditioners in Myanmar

No	Year	Qty
1	2012	80,000
2	2013	123,000
3	2014	180,000
4	2015	181,000
5	2016	206,000
6	2017	224,000

Source: Statista (2019)

Normally, the type of refrigerant gas used in air conditioners is also different from its compressor & model which is so called environmentally friendly gas - R410a and R23 mainly used in Mitsubishi air conditioners. The air conditioning industry globally is moving towards more energy-efficient and eco-friendly solutions. This trend might have influenced the offerings available in Yangon as well, with a focus on products that aligned with these global trends.

3.2 Evolution of Mitsubishi Air Conditioners

Mitsubishi Electric is a global leader in various electronics and electrical equipment, including air conditioning systems. Since its establishment in 1921, Mitsubishi Electric has consistently led the way in Japan's technical ingenuity and product innovation. From its first hit product—an electric fan for consumer use—Mitsubishi Electric has continued to create a long list of firsts and groundbreaking new technologies that have shaped its business fields all around the world. Mitsubishi Electric is a global electronics and electrical equipment manufacturer headquartered in Tokyo, Japan. The company has a diverse range of products, including air conditioning systems, consumer electronics, industrial equipment, and more. Mitsubishi Electric is known for its innovative technologies, energy-efficient solutions, and commitment to quality.

Mitsubishi Electric offers a diverse range of air conditioners solutions designed to cater to different needs and spaces. Their product offerings include Split-Type Air Conditioners, Multi-Split Systems, VRF (Variable Refrigerant Flow) Systems, Centralized Air Conditioning. Mitsubishi Electric is known for its emphasis on energy-efficient technologies, which align with the growing global trend toward eco-friendly solutions. This includes inverter technology and advanced control systems to optimize energy usage. The brand has offered smart control options, allowing users to remotely control and monitor their air conditioners systems through

mobile apps or other smart devices. Mitsubishi Electric's systems have included air purification and filtration features to improve indoor air quality. As a reputable brand, Mitsubishi Electric provides after-sales services such as installation, maintenance, and repairs through authorized service centers or partner networks. The purpose of Mitsubishi air con is to contribute to the realization of a vibrant and sustainable society through continuous technological innovation and ceaseless creativity. The values which Mitsubishi aircon willing to develop are Trust, Quality, Technology, Ethics and Compliance, Humanity, Environment and Society. Commitment of Mitsubishi aircon is “Changes for the Better.”

PMEH Co., Ltd. is sole distributors of Mitsubishi electric in Myanmar. Established in 1994, Peace Myanmar Electric Holding Co., Ltd initiated the import and distribution of HVAC products and their respective components, all manufactured by Mitsubishi Electric. PME is entrusted as an authorized agent to distribute Mitsubishi Electric Products. In 1995, to rapidly increase the ability to help customers, PME built a reputable service center on Strand Road in Ahlone Township.

3.3 Marketing Mix of Mitsubishi Electric Air Conditioners and After-sales Service

Mitsubishi Electric, a prominent player in the air conditioning industry, employs a variety of marketing mixes to promote its air conditioning products.

3.3.1 Product

Mitsubishi Electric air conditioners have been perceived as having good product quality for its innovative technology, energy efficiency, performance, quiet operation, durability and longevity, air quality, variety of models, reliable after-sales service and global reputation. The following table shows the products of Mitsubishi Air conditioner distributed from Peace Myanmar Electric Holding.

Table (3.2) Product Model of Mitsubishi Air Conditioner

R410 Standard Model			
No.	Model	Type	HP
1	MS-HM10	RAC	1
2	MS-HM13	RAC	1.5
3	MS-HM18	RAC	2
4	MS-HM24	RAC	2.5
5	MSY-GH10 (Inverter)	RAC	1
6	MSY-GH13(Inverter)	RAC	1.5
7	MSY-GH18(Inverter)	RAC	2
8	MSY-GH24(Inverter)	RAC	2.5
R32 Standard Model			
No.	Model	Type	HP
1	MS-JS10	RAC	1
2	MS-JS13	RAC	1.5
3	MS-JS18	RAC	2
4	MS-JS24	RAC	2.5
5	MSY-JS10 (Inverter)	RAC	1
6	MSY-JS13(Inverter)	RAC	1.5
7	MSY-JS18(Inverter)	RAC	2
8	MSY-JS24(Inverter)	RAC	2.5
R32 Ceiling Cassette			
No.	Model	Type	HP
1	PL-M18BAKLCM-PA	Ceiling Cassette	2
2	PL-M24BAKLCM-PA	Ceiling Cassette	2.5
3	PL-M30BAKLCM-PA	Ceiling Cassette	3
4	PL-M36BAKLCM-PA	Ceiling Cassette	4
5	PL-M42BAKLCM-PA	Ceiling Cassette	5
6	PL-M48BAKMD-PA	Ceiling Cassette	6
R32 Ceiling Concealed			
No.	Model	Type	HP
1	PU-M18BAKLCM-PA-TH	Ceiling Concealed	2
2	PU-M24BAKLCM-PA-TH	Ceiling Concealed	2.5
3	PU-M30BAKLCM-PA-TH	Ceiling Concealed	3
4	PU-M36BAKLCM-PA-TH	Ceiling Concealed	4
5	PU-M42BAKLCM-PA-TH	Ceiling Concealed	5
6	PU-M48BAKMD-PA-TH	Ceiling Concealed	6
R32 Ceiling Suspended			
No.	Model	Type	HP
1	PCY-SM18BAKLCM-PA-TH	Ceiling Suspended	2
2	PCY-SM24BAKLCM-PA-TH	Ceiling Suspended	2.5
3	PCY-SM30BAKLCM-PA-TH	Ceiling Suspended	3
4	PCY-SM36BAKLCM-PA-TH	Ceiling Suspended	4
5	PCY-SM42BAKLCM-PA-TH	Ceiling Suspended	5
6	PCY-SM48BAKMD-PA-TH	Ceiling Suspended	6

Source: Peace Myanmar Electric Holding Co., Ltd. (2023)

Mitsubishi Electric is known for incorporating advanced technologies into their air conditioning systems. This includes features like inverter technology for energy efficiency, precise temperature control, and advanced air purification systems. Mitsubishi Electric air

conditioners feature inverter-driven compressors, which adjust the cooling or heating capacity according to the actual demand. This leads to significant energy savings compared to traditional on/off compressor systems. The brand's air conditioners are designed to provide consistent and reliable cooling or heating performance. Their systems are engineered to perform well even in extreme temperatures and varying conditions. Mitsubishi Electric pays attention to reducing noise levels in their air conditioners. This is particularly important for residential settings where quiet operation enhances comfort. Many customers have reported that Mitsubishi Electric air conditioners have a longer lifespan and require fewer repairs compared to some other brands. This can be attributed to their focus on quality components and manufacturing processes. Some Mitsubishi Electric models come with advanced air filtration and purification systems that help improve indoor air quality by removing allergens, dust, and pollutants. Mitsubishi Electric offers a wide range of air conditioning systems, catering to various needs including residential, commercial, and industrial applications.

3.3.2 Price

The pricing policies of Mitsubishi are influenced by the economic conditions and market trends of a location, with close monitoring of competitor pricing and customer spending capacity by its management teams. With a diverse product portfolio, Mitsubishi employs various pricing strategies. Competitive pricing is adopted for consumer products, often aligned with competitors' base prices.

Pricing that Mitsubishi Electric uses for its air conditioning products is value-based pricing, skimming pricing, product line pricing, bundle pricing and geographic pricing. Mitsubishi Electric adopt a value-based pricing strategy, where the price is set based on the perceived value of their air conditioners in the eyes of the customers. Mitsubishi Electric offers a range of air conditioning products with varying features and capacities. They use product line pricing to segment the market based on these different product offerings. Each product category has its own price points to cater to different customer segments.

Table (3.3) Price Lists of Mitsubishi Air Conditioner

R410 Standard Model				
No.	Model	Type	HP	Price (MMK)
1	MS-HM10	RAC	1.0	1,620,000
2	MS-HM13	RAC	1.5	1,880,000
3	MS-HM18	RAC	2.0	2,960,000
4	MS-HM24	RAC	2.5	3,580,000
5	MSY-GH10 (Inverter)	RAC	1.0	2,360,000
6	MSY-GH13(Inverter)	RAC	1.5	2,780,000
7	MSY-GH18(Inverter)	RAC	2.0	4,460,000
8	MSY-GH24(Inverter)	RAC	2.5	5,600,000
R32 Standard Model				
No.	Model	Type	HP	Price (MMK)
1	MS-JS10	RAC	1.0	1,620,000
2	MS-JS13	RAC	1.5	1,880,000
3	MS-JS18	RAC	2.0	2,960,000
4	MS-JS24	RAC	2.5	3,580,000
5	MSY-JS10 (Inverter)	RAC	1.0	2,160,000
6	MSY-JS13(Inverter)	RAC	1.5	2,580,000
7	MSY-JS18(Inverter)	RAC	2.0	4,160,000
8	MSY-JS24(Inverter)	RAC	2.5	5,100,000
R32 Ceiling Cassette				
No.	Model	Type	HP	Price (MMK)
1	PL-M18BAKLCM-PA	Ceiling Cassette	2	6,240,000
2	PL-M24BAKLCM-PA	Ceiling Cassette	2.5	6,360,000
3	PL-M30BAKLCM-PA	Ceiling Cassette	3	6,520,000
4	PL-M36BAKLCM-PA	Ceiling Cassette	4	7,500,000
5	PL-M42BAKLCM-PA	Ceiling Cassette	5	8,940,000

6	PL-M48BAKMD-PA	Ceiling Cassette	6	10,240,000
R32 Ceiling Concealed				
No.	Model	Type	HP	Price (MMK)
1	PU-M18BAKLPCM-PA-TH	Ceiling Concealed	2	5,720,000
2	PU-M24BAKLPCM-PA-TH	Ceiling Concealed	2.5	5,860,000
3	PU-M30BAKLPCM-PA-TH	Ceiling Concealed	3	6,120,000
4	PU-M36BAKLPCM-PA-TH	Ceiling Concealed	4	7,680,000
5	PU-M42BAKLPCM-PA-TH	Ceiling Concealed	5	9,460,000
6	PU-M48BAKMD-PA-TH	Ceiling Concealed	6	10,760,000
R32 Ceiling Suspended				
No.	Model	Type	HP	Price (MMK)
1	PCY-SM18BAKLPCM-PA-TH	Ceiling Suspended	2	7,840,000
2	PCY-SM24BAKLPCM-PA-TH	Ceiling Suspended	2.5	7,980,000
3	PCY-SM30BAKLPCM-PA-TH	Ceiling Suspended	3	8,200,000
4	PCY-SM36BAKLPCM-PA-TH	Ceiling Suspended	4	11,620,000
5	PCY-SM42BAKLPCM-PA-TH	Ceiling Suspended	5	13,880,000
6	PCY-SM48BAKMD-PA-TH	Ceiling Suspended	6	15,640,000

Source: Peace Myanmar Electric Holding Co., Ltd. (2023)

Pricing of Mitsubishi Aircon distributed by Peace Myanmar Electric Holding include showroom price, dealer price and project sales price. All the base prices are the same for them, but the discount rate is different. A ten percent discount is given to dealers of PMEHL, and a

rebate is given to them once every three months. In project sales, prices of Air cons are calculated based on the project value. There is no price discount in showroom sales.

3.3.3 Place

The place, also known as distribution, of Mitsubishi Electric's air conditioning products refers to how they ensure their products are available to customers in the right place, at the right time, and through the right channels. Mitsubishi Electric uses a mix of distribution channels to reach various customer segments. Mitsubishi Electric has authorized dealers and distributors who sell their products directly to customers.

There are three showrooms under Peace Myanmar Electric Holdings. Head office and showroom of Mitsubishi aircon in Yangon is in Botahtaung Pagoda Road. There is one showroom in Naypyitaw and one in Mandalay. PME's place strategy involves ensuring a wide geographic coverage to reach customers across various regions. To serve diverse customer needs, PME have authorized dealers for Mitsubishi aircon. Authorized dealers are located in every division of Myanmar for a presence in both urban and rural areas. To complement the distribution, PME has authorized service centers strategically located to provide installation, maintenance, and repair services.

Table (3.4) Branch of Mitsubishi Air Conditioner

No.	Branch	Area
1	Yangon Head Office	Botahtaung Township
2	Mandalay Office	Chanayetharsan Township
3	Naypyitaw Office	Thiri Yadanar Shopping Complex, Zabu Thiri Township

Source: Peace Myanmar Electric Holding Co., Ltd (2023)

Peace Myanmar Electric Holding has E-commerce platforms and Mitsubishi Electric's official website offers customers the convenience of purchasing products online, with home delivery options. These centers ensure customers receive professional support for air conditioning systems. PME employs a mix of direct and indirect sales approaches. Direct sales include our own showroom and online platforms, while indirect sales involve working through authorized dealers and retail partners.

3.3.4 Promotion

The promotion of Peace Myanmar Electric Holding for Mitsubishi Electric's air conditioning products encompasses the various activities and tactics the company uses to communicate with customers, create awareness, and drive demand for the products. Peace Myanmar Electric Holding employs various forms of advertising to reach its target audience. This includes digital Ads, Print Ads, Digital Marketing, Content Marketing, Influencer Collaborations, Trade Shows and Exhibitions, Public Relations, Online Presence, Promotions and Special Offers, After-Sales Support Promotion, Environmental Initiatives and Trade-In Programs. Mitsubishi place advertisements in magazines, newspapers, and industry publications to capture the attention of potential customers. Also, PMEH engages with customers on platforms like Facebook, Instagram, Linkin, you tube and Twitter, sharing product updates, tips, and promotions. They run targeted digital ad campaigns through platforms like Google Ads or social media ads to reach potential customers actively searching for air conditioning solutions. Content Marketing is also one of the promotion strategies of Mitsubishi air con. They provide valuable content related to air conditioning, energy efficiency, indoor air quality, and home comfort.

Peace Myanmar Electric Holding offers no promotion in showroom sales. For the channel sales and dealers, promotion program is changed in every three months. The promotion program is based on seasonal promotion. There is also no promotion for project sales. For the trade promotion, Peace Myanmar Electric Holding participated in trade shows in collaboration with Pro 1, Wai Yan, etc.

Peace Myanmar Electric Holding also performs direct marketing and team up with industry experts, influencers, or professionals in the HVAC and home improvement fields to promote their products can lend credibility and expand their reach. They participate in industry-related trade shows and exhibitions to showcase their latest products, connect with potential clients, and demonstrate their technological innovations.

3.3.5 People

The people, also known as the personnel, of Peace Myanmar Electric Holding involves the management and development of employees to support the marketing and sales of their products. Peace Myanmar Electric Holding invests in training and development programs to ensure their employees, especially those in sales and customer support roles, have in-depth knowledge about their air conditioning products. This empowers them to furnish customers with precise and valuable information. Sales and customer service teams are well-versed in the technical specifications, features, and benefits of different air conditioning models. This knowledge is crucial for effectively communicating with customers and addressing their inquiries. Employees who interact directly with customers are trained to have a customer-centric mindset. This involves understanding customer needs, providing solutions, and offering excellent service throughout the customer journey. Peace Myanmar Electric Holding has technical support teams that assist customers with installation, troubleshooting, and maintenance queries. Peace Myanmar Electric Holding collaborates with authorized dealers, distributors, and service centers. These partnerships involve training, support, and factory tours to ensure that these external teams can represent the brand effectively and provide high-quality service to customers. Employees in customer-facing roles receive training on how to handle customer feedback, suggestions, and complaints. This ensures that customer concerns are addressed promptly and effectively. Peace Myanmar Electric Holding's people strategy emphasizes ethical behavior and effective communication with customers. Transparency and honesty in interactions contribute to building trust and long-lasting relationships.

3.3.6 Process

The process policies of Mitsubishi Electric's air conditioning products outlines the systematic approach the company uses to design, produce, distribute, and support its products. Mitsubishi Electric invests in extensive research and development to innovate and improve their air conditioning products. This involves studying market trends, customer preferences, and emerging technologies to develop advanced and energy-efficient solutions. In design and manufacturing, the design process involves creating air conditioning systems that are not only functional but also aesthetically pleasing and easy to use. Manufacturing processes are streamlined for efficiency while maintaining high-quality standards. Mitsubishi Electric implements rigorous quality control measures throughout the manufacturing process to ensure that each air conditioning unit meets the brand's performance, reliability, and safety standards.

Peace Myanmar Electric Holdings is sole distributor of Mitsubishi aircon in Myanmar. Head office of Mitsubishi aircon is in Japan. PMEHE is under the branch office in Singapore. Products of Mitsubishi aircon are manufactured in Thailand and import shipping to Myanmar. Then, Mitsubishi Air cons are distributed from PMEHE in Myanmar. There are two warehouses in PMEHE, one is in Tharkayta Township and the other is located in Hlaing Thar Yar Township in Yangon. PMEHE also provides delivery services for customers. The distribution process involves coordinating the movement of products from manufacturing facilities to warehouses and distribution centers. PMEHE ensures that products are delivered to authorized dealers and retailers efficiently to meet customer demands. Moreover, the sales process involves trained sales teams that assist customers in selecting the right air conditioning solutions for their needs. After-sales support includes providing installation guidance, technical assistance, and addressing customer inquiries. PMEHE maintains a feedback loop with customers and dealers to gather insights and suggestions via phone monthly. This information is used to continuously improve their products and processes. The company offers training programs for employees, dealers, and technicians to ensure they are knowledgeable about the products, installation procedures, and maintenance protocols. Mitsubishi Aircon establishes clear warranty terms and processes to handle any issues that customers might face. Authorized service centers play a role in providing maintenance, repairs, and warranty-related services.

3.3.7 Physical Evidence

The Physical Evidence of Mitsubishi air conditioning products involves the tangible elements that customers interact with or experience when purchasing, using, and receiving support for their products. Mitsubishi aircon focuses on packaging design that is not only functional but also aesthetically appealing. The packaging can reflect the brand's quality and reliability, ensuring products are well-protected during transportation. The design and appearance of Mitsubishi air conditioning units are designed to convey a sense of modernity, efficiency, and reliability. The use of high-quality materials and finishes adds to the perceived value of the products. Authorized dealers and retailers have showrooms or display centers where customers can physically experience the air conditioning units. Comprehensive and user-friendly product documentation, including user manuals, installation guides, and warranty information, accompany the products to ensure customers have all the necessary information at hand.

Mitsubishi Electric's official website provides detailed information about their air conditioning products, including specifications, features, and customer reviews. This digital presence serves as a virtual representation of their products and brand. The physical presence of authorized service centers reinforces the brand's commitment to customer support. These centers provide a tangible location where customers can seek assistance with installation, maintenance, and repairs. In addition, brochures, catalogs, and other marketing materials of Mitsubishi aircon provide customers with tangible information about the features, benefits, and specifications of Mitsubishi Electric's air conditioning products. Mitsubishi includes additional materials inside the product packaging, such as user guides or promotional materials, to enhance the overall customer experience. Also, participation in trade shows and exhibitions provides a physical platform to showcase their products and innovations to a broader audience. PMEH offers a one-year warranty for the products purchased. The provision of official warranty documents and certificates of Mitsubishi aircon further emphasizes the brand's commitment to quality and after-sales support. Mitsubishi Electric's physical evidence strategy aims to create a positive and consistent brand experience across various touch points.

3.3.8 After-sales Service

After-sales service is essential in aircon industry as the companies do not sell product alone. It includes after-sales services such as installation, maintenance, etc. which play an important role in achieving customer satisfaction and retention. Mitsubishi Electric is known for providing good service quality for its air conditioning systems. PMEH offer after-sale service for the products purchased. PMEH has a network of authorized service centers or partners that offer professional installation, maintenance, and repair services for their air conditioning systems. These authorized centers are trained and certified to handle Mitsubishi Electric products.

The service technicians employed by authorized centers undergo training and certification to ensure they have the knowledge and skills needed to properly install, maintain, and repair Mitsubishi Electric air conditioners. Authorized service providers aim to respond promptly to customer inquiries and service requests. Quick response times can enhance customer satisfaction, especially during peak seasons or when there are urgent issues.

Some authorized service centers offer maintenance programs that include regular check-ups and servicing to ensure optimal performance and longevity of the air conditioning

system. Good service quality includes effective communication with customers, addressing their concerns, and providing clear explanations about the services being performed. Moreover, PMEHL encourages customers to provide feedback on their service experiences.

3.4 Profile of Respondents

There is a total of 135 respondents who were surveyed with structured questionnaire to measure the effect of marketing mix on customer satisfaction and retention to use of Mitsubishi Air cons in Yangon. Table (3.5) provides a detailed illustration of population data. Included are their gender, age, education, position, and monthly income.

Table (3.5) Demographic Profile of Respondents

Sr.No	Particular	No. of Respondents	Percentage (%)
	Total	135	100.0
1.	Gender		
	Male	80	59.3
	Female	55	40.7
2.	Age (Years)		
	18-25	15	11.1
	26-35	34	25.2
	36-45	48	35.6
	46-55	22	16.3
	Above 55	16	11.9
3.	Education Level		
	Undergraduate	7	5.2
	Graduate	53	39.3
	Postgraduate	17	12.6
	Master	47	34.8
	Ph.D.	11	8.1

4.	Position		
	Executive	7	5.2
	Manager	59	43.7
	General Manager	19	14.1
	Director	30	22.2
	Others (Others represents Senior Manager, Team Leader, Assistant Director, Associate Director, Department Head, Vice President, Chief Officer and Managing director.)	20	14.8
5.	Monthly Income (MMK)		
	300000 - 500000	11	8.1
	500001 - 800000	22	16.3
	800001 - 1200000	38	28.1
	1200001 – 1500000	45	33.3
	> 1500001	19	14.1

Source: Survey Data (2023)

According to the Table (3.5), male respondents are higher than female respondents as most of B2B customers are male. Among 135 respondents, male respondents represent 59.3 percent while female respondents made up of 40.7 percent. There are five categories for age and most of the respondents are between 36 to 45 and represent 35.6 percent of the total respondents. The second largest age group includes respondents who are between 26 to 35 old. The minority group contains people aged between 18 and 25 years old representing just 11.1% of total respondents.

The education level of the respondents is divided into five groups such as undergraduate, graduate, postgraduate, master and Ph.D. The majority of the respondent's graduates, and they represent 39.3 percent of total respondents. The minority of the respondents are undergraduates, and they represent 5.2 percent of total respondents. The majority of the respondents get between 1,200,001 and 1,500,000 Kyats per month while the second largest group contains people earning monthly between 800,001 and 1,200,000 Kyats. In addition, the

minority group earns monthly between 300,001 and 500,000 Kyats. The minority of the respondents are in manager level position, and they represent 43.7 percent of total respondents. A minority of the respondents are in executive position, and they represent 5.2 percent of total respondents. It can be concluded that the age between 36 to 45 years, graduate manager, male customers with income level of between 1,200,000 and 1,500,000 MMK are mostly the customers of Mitsubishi aircon in Myanmar.

3.5 Reliability Analysis

Reliability analysis refers to the fact that a scale should consistently reflect the construct it is measuring. It was undertaken to test the internal consistency of the variables in the questionnaire. Alpha values between 0.70 and 0.80 are generally regarded as acceptable and good, whereas values close to 1.0 indicate great internal consistency reliability. Alpha values lower than 0.60 are poor (Taber, 2016). The following Table (3.5) shows the reliability of the Alpha values of the variables.

Table (3.6) Reliability Test of the Variables

Sr. No.	Variables	No. of Items	Cronbach's Alpha
1.	Product	5	.825
2.	Price	5	.795
3.	Place	5	.646
4.	Promotion	5	.812
5.	People	5	.878
6.	Process	5	.877
7.	Physical Evidence	5	.866
8.	Customer Satisfaction	5	.894
9.	After Sales Service	5	.824
10.	Customer Retention	5	.864

Source: Survey Data (2023)

According to the Table (3.6), the result shows that Cronbach's Alpha coefficient ranged from 0.646 to 0.894. This indicates that the five items related to variables have strong internal consistency and effectively measure the respective concepts. As per the result, the internal consistency for the questionnaire is good and acceptable. The finding demonstrates that the

Cronbach's Alpha are satisfactory for each variable and the data received from the survey is considered valid and reliable.

CHAPTER (4)

ANALYSIS ON MARKETING MIXS, CUSTOMER SATISFACTION AND RETENTION TO USE OF MITSUBISHI ELECTRIC AIR CONDITIONER

In this chapter, the study analyzes the effect of marketing mix on customer satisfaction and retention to use of Mitsubishi Electric Air Conditioner in Yangon. The mean values and standard deviation of marketing mix are presented in the first part. The mean values and standard deviation of customer satisfaction and after-sales services are also analyzed. In this chapter, the study also analyzes the effect of marketing mix on customer satisfaction and the effect of customer satisfaction on customer retention. Moreover, the moderating effect of after-sales service on the relationship between customer satisfaction and retention to use is examined in this chapter.

4.1 Analysis on the Effect of Marketing Mix on Customer Satisfaction

This section described the mean and standard deviation of the customer perception on marketing mix, customer satisfaction and retention. In the study of Best (1997), the interpretation of mean values for five-point Likert scale items is as follows: Scores ranging from 1.00 to 1.80 Strongly indicate disagreement, scores between 1.81 and 2.60 signify disagreement, scores falling between 2.61 and 3.40 represent a neutral stance, scores ranging from 3.41 to 4.20 indicate agreement, and scores from 4.21 to 5.00 denote strongly agreement. Moreover, the effect of marketing mix on customer satisfaction is analyzed.

4.1.1 Marketing Mix

Structured survey questionnaires were utilized to determine the significance of marketing mix elements for Mitsubishi air conditioner products. In this study, 135 B2B customers were surveyed, and the survey results are shown in the following Tables.

(a) Product

Customer perception on product of Mitsubishi Air Conditioner is shown in Table (4.1). It includes product quality, categories, design, features, and energy saving of air conditioner.

Table (4.1) Product Factors of Mitsubishi Air Conditioner

Sr. No.	Description	Mean	Std. Deviation
1	High quality Product.	4.24	0.601
2	Providing diversified products categories.	4.13	0.596
3	Stylish design and last long product.	4.01	0.465
4	A comfortable temperature for sleeping with a very quiet noise and fast cooling wind.	4.07	0.460
5	Energy saving products among other Air conditioner	3.96	0.447
	Overall Mean	4.08	

Source: Survey Data (2023)

The overall mean of product is 4.08 which presents the agreement level. The survey result indicates that Mitsubishi Air Conditioners are perceived as a high-quality product as per the highest mean value of 4.24. As per the result, the lowest mean score of 3.96 indicates that customers of Mitsubishi Air Conditioners agree with energy-efficient when compared to other brands. It can be concluded that the customers of Mitsubishi Air Conditioners prefer the product design, quality of products, and feature of products.

(b) Price

Customer perception on price factors of Mitsubishi Air Conditioner is shown in Table (4.2). It includes various aspects of pricing, affordability, and the convenience of payment terms.

Table (4.2) Price Factors of Mitsubishi Air Conditioner

Sr. No.	Description	Mean	Std. Deviation
1	Reasonable and comfortable price.	3.34	0.765
2	The cheaper price compared to another Japanese brand.	3.30	0.659
3	Offering full value for money.	3.81	0.465
4	The convenient payment terms offered by Mitsubishi Air Con for customers.	3.84	0.584
5	Availability of spare parts in low price.	3.87	0.382
	Overall Mean	3.63	

Source: Survey Data (2023)

As per the survey result, the overall mean of product is 3.63 which presents the agreement level indicating that respondents agree a generally positive sentiment regarding Mitsubishi Air Conditioner pricing and related factors. Mitsubishi Air Conditioner spare parts were perceived as available at low prices, with the highest mean value of 3.87. According to the lowest mean score in Table (4.2), the respondents react as neutral to the price of Mitsubishi Air Conditioner when compared to the price of another Japanese brand. It can be concluded that the customer prefers the availability of spare parts at a low price, convenient payment terms of the company and they agree offering full value for money for Mitsubishi air conditioners.

(c) Place

Customer perception in place of Mitsubishi Air Conditioner are shown in Table (4.3). It includes customer purchasing experience, the channels through which customers make their purchases, their perception with the delivery process, and their ability to find Mitsubishi Air Con dealers.

Table (4.3) Place Factors of Mitsubishi Air Conditioner

Sr. No.	Description	Mean	Std. Deviation
1	Ordering from online shopping, especially in Facebook page.	3.93	0.304
2	Buying an air conditioning from a dealership.	3.99	0.193
3	Satisfaction with the process of returning the product to company in case of any damaged product occurred by delivery.	3.96	0.240
4	Satisfaction with Mitsubishi Air con's delivery system.	3.97	0.243
5	The ease of finding Mitsubishi Air Con dealers.	3.92	0.533
	Overall Mean	3.95	

Source: Survey Data (2023)

The overall mean rating of place is 3.95 presents the agreement level. The highest mean score of 3.99 indicates customers agree that they buy Mitsubishi Air Conditioners from dealerships. This implies that existing dealer relationships are important in influencing customer choices. The lowest score rating of 3.92 implies that the accessibility of dealers is the agreement level of the customer experience. As per the result, it can be said that customers agree with various aspects of the process, from ordering online to dealing with dealerships, returns, and delivery.

(d) Promotion

Customer perception on promotion of Mitsubishi Air Conditioner are shown in Table (4.4). It includes aspects such as installation services, discounts, seasonal promotions, awareness through exhibitions and trade shows, and the influence of membership cards on purchasing decisions.

Table (4.4) Promotion Factors of Mitsubishi Air Conditioner

Sr. No.	Description	Mean	Std. Deviation
1	Great installation service offered from Mitsubishi Air conditioner.	3.86	0.521
2	Interest in the discount offered by Mitsubishi Air Conditioner.	3.84	0.502
3	The availability of seasonal promotions.	3.81	0.549
4	Knowing Mitsubishi Air conditioner through exhibitions and trade shows.	3.64	0.539
5	Buying Mitsubishi Air conditioner for having membership cards.	3.55	0.666
	Overall Mean	3.74	

Source: Survey Data (2023)

The overall mean score of promotion is 3.74 which indicates the agreement level on the perception of Mitsubishi Air Conditioners' promotion factors among customers. The result shows the respondents agree with the installation services offered by Mitsubishi Air Conditioners, with the highest mean score of 3.86. This implies that customers find the installation process to be excellent. The lowest mean value of 3.55 indicates that membership card benefits have a moderate impact on purchasing decisions. It can be concluded that customers of Mitsubishi air conditioners prefer installation service, discounts and seasonal promotions offered by Mitsubishi.

(e) People

Customer perception on promotion of Mitsubishi Air Conditioner are shown in Table (4.5). It includes aspects such as employee knowledge, promptness of service, willingness to help, understanding of customer needs, and attention to customers.

Table (4.5) People Factors of Mitsubishi Air Conditioner

Sr. No.	Description	Mean	Std. Deviation
1	Knowledge of the employees of Mitsubishi to answer customer questions.	3.93	0.467
2	Giving prompt service, feedback, acknowledgement, and useful advice to customers within 1 working day.	3.86	0.575
3	Willingness of the employees of Mitsubishi to help customers.	3.92	0.507
4	Receiving communication with employees who understand customers' specific needs.	3.85	0.549
5	Paying attention of the employees of Mitsubishi to customers.	3.88	0.489
	Overall Mean	3.89	

Source: Survey Data (2023)

The overall mean score of people is 3.89 which indicates the agreement level on the perception of customer-employee interactions at Mitsubishi. As per the result, respondents agree that the employees of Mitsubishi as knowledgeable in answering their questions, with a mean score result of 3.93. This indicates that customers find Mitsubishi employees well-informed and capable of addressing their queries. The lowest rating of 3.85 indicates that respondents agree Mitsubishi employees take the time to comprehend and address individual customer requirements. It can be concluded that customers believe that employees are knowledgeable, responsive, helpful, understanding, and attentive.

(f) Process

Customer perception on the process of Mitsubishi Air Conditioner are shown in Table (4.6). It includes aspects such as the timeliness of order deliveries, the alignment of sales service with customer expectations, the appeal of customization of services, the accessibility of the communication system, and the delivery of timely and promised services.

Table (4.6) Process Factors of Mitsubishi Air Conditioner

Sr. No.	Description	Mean	Std. Deviation
1	Receiving order on time.	3.95	0.392
2	Meeting the expected standard for sales service offering process.	3.89	0.435
3	Selecting Mitsubishi Air conditioner due to customization of services.	3.87	0.470
4	Easy communication system for customers to contact.	3.87	0.486
5	Providing timely and prompt service as promised.	3.85	0.481
	Overall Mean	3.88	

Source: Survey Data (2023)

The overall mean rating of process is 3.88 indicates an agreement level on the perception of the processes associated with Mitsubishi Air Conditioners As per the result, the highest mean rating of 3.95 shows that Mitsubishi Air Conditioners perform well in terms of delivering orders within the expected timeframes. The lowest rating of 3.85 shows that the respondents agree that Mitsubishi Air Conditioners as providing timely and prompt services as promised. This implies that the brand consistently delivers on its service commitments. It can be concluded that customers prefer Mitsubishi in terms of order timeliness, sales service standards, customization, communication accessibility, and service delivery.

(g) Physical Evidence

Customer perception on physical evidence of Mitsubishi Air Conditioner are shown in Table (4.7). It includes aspects such as brand awareness, the visual appeal of the unit's design, the suitability of size and dimensions, the convenience of button and control placement, and the effectiveness of packaging in protecting the unit during delivery.

Table (4.7) Physical Evidence Factor of Mitsubishi Air Conditioner

Sr. No.	Description	Mean	Std. Deviation
1	Awareness about Air conditioner logo.	3.87	0.470
2	The visually appealing design of the Mitsubishi Air Conditioner unit.	3.87	0.470
3	Suitable size and dimensions of the Mitsubishi Air conditioner units.	3.93	0.476
4	Convenient placement and accessibility of the buttons and controls on the Mitsubishi Air conditioner unit.	3.90	0.487
5	Protective and secure packaging of the Mitsubishi Air conditioner unit during delivery.	3.86	0.506
	Overall Mean	3.89	

Source: Survey Data (2023)

The overall mean rating of physical evidence is 3.89 which presents the agreement level on perception of the physical evidence associated with Mitsubishi Air Conditioners. The result shows that customers believe the size and dimensions of Mitsubishi Air Conditioner units are suitable, with the highest mean score of 3.93. This indicates that customers find the units appropriately sized for their needs. The lowest score rating of 3.86 shows that the respondents agree with packaging of Mitsubishi Air Conditioner units as protective and secure during delivery. It can be concluded that customers prefer sizes and dimensions of air conditioner units, convenient placement and accessibility of the buttons and controls and packing of Mitsubishi air conditioners.

4.2 Customer Satisfaction

Customer perception on customer satisfaction of Mitsubishi Air Conditioner are shown in Table (4.8). It includes aspects such as after-sales service response time, the quality of repairs and maintenance, the installation process, the performance of promised tasks, and the overall experience of owning a Mitsubishi Air Conditioner.

Table (4.8) Customer Satisfaction Factor of Mitsubishi Air Conditioner

Sr. No.	Description	Mean	Std. Deviation
1	Satisfaction with the response time of the after-sales service team.	3.90	0.462
2	Satisfaction with the quality of the repairs or maintenance carried out by the after-sales service team	3.85	0.526
3	Satisfaction with installation process of air conditioning product.	3.92	0.458
4	Satisfaction with performing tasks, such as regular checking, repair and maintenance service, as promised.	3.91	0.376
5	Satisfaction with overall experience of owing Mitsubishi air conditioning product.	3.93	0.434
	Overall Mean	3.90	

Source: Survey Data (2023)

The overall mean rating for customer satisfaction is 3.90 which presents the agreement level. As per the result, the highest mean score of 3.93 shows that respondents agree with overall experience of owing an air conditioning product from Mitsubishi. The quality of repairs and maintenance carried out by the after-sales service team is received respondent's agreement with the lowest mean rating of 3.85 as shown in Table (4.8). It can be concluded that customers of Mitsubishi air conditioners agree with overall experience, response time and installation process offered by Mitsubishi.

4.3 Analysis on the Effect of Marketing Mix on Customer Satisfaction

A multi-linear regression model is used in this research to find out the analysis of marketing mix elements on customer satisfaction by surveying 135 B2B customers of Mitsubishi air conditioners. Table (4.9) shows the effects of marketing mix on customer satisfaction. The results of the analysis are as follows.

Table (4.9) Effect of Marketing Mix's on Customer Satisfaction

Variable	Unstandardized Coefficients		β	T	Sig	VIF
	B	Std Error				
(Constant)	.366	.320		1.144	.255	
Product	-.018	.043	-.019	-.422	.674	1.376
Price	.063	.053	.057	1.171	.244	1.610
Place	-.091	.097	-.044	-.937	.351	1.504
Promotion	.084*	.045	.093	1.882	.062	1.654
People	.101*	.056	.113	1.803	.074	2.658
Process	.563***	.090	.551	6.229	.000	5.258
Physical Evidence	.219***	.074	.224	2.976	.003	3.811
R Square						.810
Adjusted R Square						.799
F Value						77.226
Durbin-Watson						2.249

Source: Survey Data (2023)

Note: ***Significant at 1% level, **Significant at 5% level, *Significant at 10% level

According to the result of regression analysis in Table (4.9), the value of R square is 81% and the adjusted R square is 0.799, which means the model explain 81% about the variation of independent variables (Marketing Mix) and dependent variables (Customer Satisfaction). According to the value of F-test, the overall significance of the model, F-value of 77.226 indicates that marketing mix elements are extremely significant at 1% level on customer satisfaction. The value of the F test, the overall significance of the model, is significant at 1 percent level. This specified model can be said to be valid. Moreover, the value of Durbin-Watson is 2.249, which lies between the acceptable reference ranges of 1.5 to 2.5.

The result indicates that the process has a positively significant effect on customer satisfaction and significant coefficient value is at 1percent level. The positive relationship means that the increase in process leads to more effect on customer satisfaction. Process is significant in customer satisfaction as Mitsubishi supports proper installation process, smooth and streamlined customer support process, and ordering and delivery process without delay which are vital in customer satisfaction.

The result indicates that physical evidence has a positively significant effect on customer satisfaction and significant coefficient value is at 1percent level. The positive relationship means that the increase in physical evidence leads to more effect on customer satisfaction. Physical evidence is significant in customer satisfaction as the physical appearance and presentation of air conditioning units in showrooms or on the company's website can significantly impact customer perception. Mitsubishi air conditioning units are produced in well-organized and aesthetically pleasing displays which create a positive impression, enhancing customer satisfaction. Customers are more likely to trust and be satisfied with a company that showcases its products professionally. The results in Table (4.9), among the marketing mix, process, physical evidence, people and promotion have a positively significant effect on customer satisfaction.

The result indicates that people have a positively significant effect on customer satisfaction and significant coefficient value is at 10 percent level. The positive relationship means that the increase in people leads to more effect on customer satisfaction. People is significant in customer satisfaction as the way employees interact with customers, both in-person and over the phone, significantly impacts customer satisfaction. Mitsubishi empowers and well-trains its employees to create friendly, respectful, knowledgeable, and helpful. Moreover, empowered, and well-trained employees can address customer complaints promptly and professionally, turning a potentially negative experience into a positive one. Customers appreciate it when their problems are taken seriously and resolved to their satisfaction.

The result indicates that promotion has a positively significant effect on customer satisfaction and significant coefficient value is at the 10 percent level. The positive relationship means that the increase in promotion leads to more effect on customer satisfaction. Promotion is significant in customer satisfaction as promotional activities, such as advertising and public relations, help in creating awareness about the air conditioning products and services offered by the company. When customers are aware of the options available to them, they can make informed decisions, leading to higher satisfaction as they find products that meet their specific needs.

4.4 Analysis on the Effect of Customer Satisfaction on Customer Retention to Use

The customer perception on customer retention factors of Mitsubishi Air Conditioner and the analysis on the effect of customer satisfaction on customer retention are shown in Table (4.10) and Table (4.11).

4.4.1 Customer Retention

Customer awareness programs, recommending other persons, and receiving training services are included in customer retention. The results shown in Table (4.10) provide how to retain customers for Mitsubishi.

Table (4.10) Customer Retention to Use of Mitsubishi Air Conditioner

Sr. No.	Description	Mean	Std. Deviation
1	Customer awareness program of Mitsubishi Air Conditioner company.	3.94	0.318
2	Purchasing further Mitsubishi Air conditioner.	3.91	0.395
3	Recommending Mitsubishi brand to other business companies.	3.96	0.309
4	Receiving the training services from Mitsubishi Air conditioner company.	3.88	0.406
5	Satisfying the overall experience of using Mitsubishi air conditioners.	3.93	0.467
	Overall Mean	3.92	

Source: Survey Data (2023)

According to the survey result, the overall mean score for the Customer Retention factor is 3.92, which presents an agreement level. The highest mean rating of 3.96 reflects customer agreement on the recommendation to buy Mitsubishi brand to friends, family, or colleagues. The lowest mean score of 3.88 shows satisfaction on receiving the training services from Mitsubishi Air conditioning company. It can be concluded that customers are satisfied with various aspects, including the awareness program, purchase intent, brand advocacy, and overall product experience.

4.4.2 Analysis on the Effect of Customer Satisfaction on Retention to Use

Multi-linear regression model is used in this research to find out the analysis of customer satisfaction on customer retention by surveying 135 B2B customers of Mitsubishi air conditioners. Table (4.11) shows the effect of customer satisfaction on customer retention. The results of the analysis are as follows.

Table (4.11) Effect of Customer Satisfaction on Retention to Use

Variable	Unstandardized Coefficients		β	T	Sig	VIF
	B	Std. Error				
(Constant)	1.492	.177		8.417	.000	
Customer Satisfaction	.624***	.045	.767	13.790	.000	1.000
R Square	.588					
Adjusted R Square	.585					
F Value	190.170***					
Durbin-Watson	1.809					

Source: Survey Data (2023)

Note: ***Significant at 1% level, **Significant at 5% level, *Significant at 10% level

According to analysis result, the value of F test, the overall significance of the model, is highly significant at 1 percent level. We can consider this particular model to be valid. Moreover, the value of Durbin-Watson is 1.809, which lies between the acceptable reference range of 1.5 to 2.5.

As per the result, customer satisfaction has a positively significant effect on customer retention. Satisfied customers are more likely to develop customer retention. When customers are happy with Mitsubishi air conditioner's performance, reliability, and after-sales service, they are more likely to choose Mitsubishi again for future air conditioner purchases and recommend it to their friend and colleague.

4.5 Analysis on the Moderating Effect of After-sales Service on the Relationship between Customer Satisfaction and Retention to Use

This section presents customer perception on after-sales service and the moderating effects of after-sales service on the relationship between customer satisfaction and retention to use.

4.5.1 After-Sales Service

Customer perception on after-sales of Mitsubishi Air Conditioner are shown in Table (4.12). It includes aspects such as the responsiveness of the customer support team, the clarity of instructions for contacting customer support, the professionalism and knowledge of service technicians, the effectiveness of solutions for after-sales service issues, and the availability of spare parts and accessories.

Table (4.12) After-Sales Service Factor of Mitsubishi Electric Air Conditioner

Sr. No.	Description	Mean	Std. Deviation
1	The good responsiveness of Mitsubishi's customer support team in inquires or issues regarding with air conditioner.	3.78	0.582
2	The provision of clear and helpful instructions for contacting the customer support team for after-sales service.	3.90	0.384
3	Professionalism and knowledge of Mitsubishi's service technician proficient for repairs or maintenance.	3.92	0.424
4	Effectiveness of Mitsubishi's solutions in resolving after-sales service issues or concerns.	3.95	0.494
5	Convenient in the availability of spare parts and accessories for Mitsubishi air conditioner when needed for repairs or maintenance.	3.85	0.449
	Overall Mean	3.88	

Source: Survey Data (2023)

The overall mean rating of after-sales service is 3.88, which presents the agree level. As per the survey result, Mitsubishi's solutions in resolving after-sales service issues or concerns are agreed effective by customers, with the highest mean rating of 3.95. The lowest mean rating of 3.78 indicates that customers find the support team reasonably prompt in addressing

their concerns. As per the result, it can be concluded that customers of Mitsubishi prefer effectiveness of after-sales service, professionalism and knowledge of Mitsubishi's service technician and customer support team of Mitsubishi air conditioners.

4.5.2 Analysis on Moderating Effect of After-Sales Service on the Relationship between Customer Satisfaction and Retention to Use

In the analysis on the moderating effect of after-sales service on the relationship between customer satisfaction and customer retention, regression analysis method is used. Table (4.13) reports on results of moderating effect of after-sales service on the relationship between customer satisfaction and customer retention.

Table (4.13) Moderating Effect of After-Sales Service on the Relationship Between Customer Satisfaction and Retention to Use

Variables	Model 1				Model 2			
	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig
	B	Std. Error			B	Std. Error		
(Constant)	1.199	0.177		0.000	2.56	0.769		0.001
Customer Satisfaction	0.336***	0.076	0.413	0.000	0.006	0.196	0.007	0.976
After Sales Service	0.365***	0.08	0.426	0.000	-0.048	0.241	-0.056	0.842
CS_AS					.100*	0.055	0.855	0.071
R Square Change	0.008							
R Square	0.645				0.653			
Adjusted R Square	0.639				0.646			
F Value	119.766				82.338			

Source: Survey Data (2023)

Note: ***Significant at 1% level, **Significant at 5% level, *Significant at 10% level

Table (4.13) presents the regression result that indicates moderating effect of after-sales service on the relationship between customer satisfaction and customer retention. As per the regression result, after-sales service has fully effect on the relationship between customer satisfaction and retention. The effect is positive effect. Thus, the degree of after-sales service will raise the effect of customer satisfaction and customer retention. If customers satisfy after-sales services such as servicing the air conditioners, sharing the technical knowledge and providing parts with fair price, they repurchase this brand again and recommend other business customers.

CHAPTER (5)

CONCLUSION

This chapter is conclusion of the study that includes the finding and discussion of the previous chapter, the suggestion and recommendation of the study and needs for further research of the study. Finding and discussion are based on the effect of marketing mix on customer satisfaction and retention of Mitsubishi electric air conditioners. My suggestions and recommendation are based on the result of the finding and need further research described on the result of the finding.

5.1 Findings and Discussions

The main objective of this study is to examine the effect of marketing mix elements (7Ps) on customer satisfaction and retention of Mitsubishi electric air conditioners. Focusing on customer satisfaction and retention helps shift the company's mindset towards a customer-centric approach. By analyzing how each element of the marketing mix impacts these factors, the company can align its strategies with customer needs and preferences. The air conditioner market is highly competitive. Knowing how the 7Ps influence customer satisfaction and retention can help Mitsubishi Electric differentiate itself from competitors.

The first objective of the study is to examine the effect of the marketing mix on customer satisfaction of Mitsubishi Electric Air Conditioner. As per the result, process, people, physical evidence, and promotion among marketing mix elements have the positively significant effect on customer satisfaction. As per the mean score result, Mitsubishi Air Conditioners are perceived as a high-quality product and provide diverse categories. The overall mean for Product factor reflects overall positive sentiment which has the highest overall mean score among other marketing mix elements. Among the marketing mix, the overall mean score for Price factor has received the lowest value. Promotion factor indicates agreement of Mitsubishi Air Conditioners' promotion factors among customers. Customers find the installation process excellent. Moreover, customers are interested in discounts offered by Mitsubishi Air Conditioners. As per the result, discounts appear to be an attractive promotional factor for customers. The average rating of survey shows that a moderate level of customer awareness is received through exhibitions and trade shows. This indicates that such events play a role in brand awareness but may not be as prominent as other promotional methods.

In regression analysis result, Process Factor shows the most significant effect on customer satisfaction. As per the regression result, Process and Physical Evidence factors among marketing mix elements have a significant effect on customer satisfaction. They have the most significant effect on customer satisfaction as customers prioritize the reliability and performance of air conditioners. Moreover, the physical evidence of durability, including the materials used and the build quality, is crucial for customers who want their air conditioner to last for many years without requiring frequent repairs or replacements.

The second objective of the study is to analyze the effect of customer satisfaction on customer retention of Mitsubishi Electric Air Conditioner. A multiple regression model is used in this research to find out the analysis of customer satisfaction on customer retention. According to analysis result, customer satisfaction has a highly significant effect on customer retention as satisfied customers are more likely to develop customer retention. Moreover, satisfied customers are more likely to provide valuable feedback that Mitsubishi can use to improve its products and services.

The third objective of the study is to analyze the moderating effect of after sales service on the relationship between customer satisfaction and customer retention of Mitsubishi Electric Air Conditioner. As per the regression analysis result, there is a complete significant effect of after-sales service on the relationship between customer satisfaction and customer retention.

Studying the effect of the marketing mix 7Ps on customer satisfaction and retention for Mitsubishi Electric air conditioners is essential for strategic decision-making, differentiation in a competitive market, and long-term success in meeting customer needs and expectations. It helps the company create more value for customers, which, in turn, leads to increased loyalty and business growth.

5.2 Suggestions and Recommendations

As per the research analysis, Mitsubishi Air Conditioners are perceived as high-quality products. To maintain and improve this perception, Mitsubishi should continue to prioritize product quality in its manufacturing processes, ensuring consistent excellence. Also Mitsubishi should capitalize on diversity by promoting a wide range of options to cater to various customer preferences and needs. The company should capitalize on goodwill by reinforcing its brand image, maintaining high-quality customer service, and consistently delivering on customer expectations.

For the Price factor, as per the research analysis, it shows the lowest mean score result, Mitsubishi should consider refining its pricing strategy, emphasizing the affordability of spare parts, and continuing to offer convenient payment terms to maintain and strengthen its position in the market. Based on the survey results, Mitsubishi should continue to prioritize online channels, maintain strong dealer relationships, and ensure the efficient handling of returns and deliveries to enhance the overall customer purchasing experience. As per the survey results, Mitsubishi should continue to prioritize high-quality installation services and maintain a focus on offering attractive discounts to further enhance their promotional strategies. Additionally, increasing the visibility and impact of exhibitions and trade shows in brand awareness should be explored. Based on the survey results, Mitsubishi should continue to prioritize employee training and development to maintain high levels of knowledge and customer-centricity.

Consistency in prompt and helpful service should also be maintained to enhance the overall customer experience. Moreover, the survey result suggests that Mitsubishi should continue to emphasize timely order deliveries, maintain high standards in sales service, and leverage the appeal of customization to enhance customer experiences further. Ensuring continued accessibility in their communication system is also important to maintain customer convenience. According to the survey results, Mitsubishi should continue to prioritize visually appealing design, suitable sizing, and convenient button placement in their product development. Ensuring that packaging remains protective and secure during delivery is also important to maintain customer trust. As after-sales service has fully effect on customer satisfaction and customer retention, Mitsubishi should consider streamlined after-sales service to customers. In addition, Mitsubishi should continue to perform prompt after-sales service, maintain high-quality repairs and maintenance, and ensure a smooth installation process to sustain and potentially enhance customer satisfaction levels. Consistently delivering on promised tasks is also essential for maintaining customer trust and satisfaction. Moreover, Mitsubishi should consider improving and expanding its training services to provide customers with more comprehensive guidance and support. This can further enhance customer satisfaction and retention.

Mitsubishi should encourage the Customer Awareness Program such as interactive workshops, live demonstrations, educational presentation, site visits, hands-on activities, informative pamphlets and brochures, guest speakers and panel discussions, engaging games and quizzes, social media campaigns to continue and potentially expand these initiatives. Interactive workshops can include hands-on sessions demonstrating how to clean or replace air

filters and DIY troubleshooting sessions for common issues. Live demonstrations can be done for different types of air conditioners and their features by showcasing the installation process with the help of professionals. Site visits can be organized and conducted tours of air conditioning manufacturing plants to showcase the technology behind the products. Engaging customers through awareness programs can foster customer retention. To ensure continued customer retention, Mitsubishi should maintain the high product quality and service excellence that customers currently enjoy. Consistency in delivering a positive overall experience is key to success. To leverage the willingness of customers to recommend the brand, Mitsubishi should implement advocacy programs that reward and incentivize customers for referring to friends, family, or colleagues. This can help amplify positive word-of-mouth marketing. In addition, Mitsubishi should regularly gather feedback from customers to identify areas for improvement. The company can use feedback from customers to refine products and services and ensure that customer satisfaction remains a priority.

5.3 Needs for Further Research

This study only analyses the customer perception of Marketing Mix, after-sales service, customer satisfaction and retention of Mitsubishi electric air conditioners. There are many opportunities to improve this study. In this study, there are some limitations during the progress of the research. Limitations are important for further research to learn and acknowledge as a way to improve the quality of the research. The survey questions were collected from only 135 B2B customers. Moreover, this study only focuses on some main variables such 7Ps marketing mix, after sales service, customer satisfaction and retention. There might be other variables affecting customer retention. Therefore, the further study should also try on customer retention such as economic factors, local climate, and demographics and lifestyle, customers' business, and their financial performance in order to ensure the long-term survival and profitability of the company.

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APPENDIX (I)
SURVEY QUESTIONNAIRES

Dear Respondent,

I'm a student at OMBA, I'm writing a thesis for my graduation from OMBA courses. 'THE EFFECT OF MARKETING MIX ELEMENTS ON CUSTOMER SATISFACTION AND RETENTION OF MITSUBISHI ELECTRIC AIR CONDITIONER' is the title of my research project. I would prefer to request you to select the responses to the questionnaire when you have some spare time. Only academic purposes will be served by the information gathered through this questionnaire, which will be held in strict confidence. We appreciate your participation and cooperation in adnce.

Part A

Respondent's Characteristics

Name of Organization or Business

Gender

- Male
- Female

Age

- 18-25 (Years)
- 26-35 (Years)
- 36-45 (Years)
- 46-55 (Years)
- Above

Education

- Undergraduate
- Graduate
- Postgraduate
- Master
- Ph.D
- Other

Position

- Executive
- Manager
- General Manager
- Director
- Other (Others represents Senior Manager, Team Leader, Assistant Director, Associate Director, Department Head, Vice President, Chief Officer and Managing director.)

Monthly Income Level

- 300000-500000 (Kyats)
- 500001-800000 (Kyats)
- 800001-1200000 (Kyats)
- 1200001-1500000 (Kyats)
- > 1500001

Instruction: Please select one of the numbers below for each line according to the index.

1. Strongly Disagree
2. Disagree
3. Neutral
4. Agree
5. Strongly Agree

Sr.No.	Product
1	Mitsubishi Air conditioner is high quality Product.
2	Mitsubishi Air conditioner provides products diversify categories.
3	Mitsubishi Air conditioner is stylish design a last long product.
4	Mitsubishi Air conditioner has to be very quiet noise and fast cooling wind in a comfortable temperature for sleeping.
5	Mitsubishi Air conditioner provides energy saving product among other Air conditioner
Sr.No.	Price
1	Mitsubishi Air Conditioner Price is reasonable and Comfortable.
2	Mitsubishi Air Conditioner price is cheaper than compared to another Japanese brand.
3	Mitsubishi Air con offers full value for money.
4	Payment terms offered from Mitsubishi Air con are convenient for Customer.
5	Spare parts of available in low price.
Sr. No.	Place
1	I ordered from online shopping, especially in Facebook page.
2	I bought an air conditioner from a dealership that I know.
3	In case of any damaged product occurred by delivery, you are happy. with the process of returning back the product to company.
4	I am happy with the delivery system of Mitsubishi Aircon.
5	Mitsubishi Air con Dealers are easy to find.
Sr. No.	Promotion
1	An Installation service offered from Mitsubishi Air conditioner are great.

2	I am interested in the discount offered by Mitsubishi Air conditioner.
3	Seasonal Promotion are available.
4	I know about Mitsubishi Air conditioner through exhibitions and trade shows.
5	I buy Mitsubishi Air conditioner because I have a membership card.
Sr. No.	People
1	The employees of Mitsubishi are knowledgeable to answer customer questions.
2	The employees of Mitsubishi give prompt service, feedback, acknowledgement, and useful advice to customers within one working day.
3	The employees of Mitsubishi are always willing to help customers.
4	I always receive communication with employees who understand customers' specific needs.
5	The employees of Mitsubishi pay attention to customers.
Sr.No.	Process
1	I always receive that order on time.
2	Sales service offering process always meets the standard I expected.
3	I have selected Mitsubishi Air conditioner because of customization of services.
4	The communication system is easy for customers to contact.
5	Mitsubishi Ari con provides timely and prompt service as promised
Sr.No.	Physical Evidence
1	I am aware about Air conditioner logo.
2	I think the design of the Mitsubishi Ari conditioner unit visually appealing.
3	I think the size and dimensions of the Mitsubishi Air conditioner units are suitable.
4	I think the placement and accessibility of the buttons and controls on the Mitsubishi Air conditioners are convenient.
5	The packaging of the Mitsubishi Air conditioner unit protective and secure during delivery.
Sr.No.	Customer Satisfaction
1	I am satisfied with the response time of the after-sales service team.
2	I am satisfied with the quality of the repairs or maintenance carried out by the after-sales service team
3	I am satisfied with installation process of air conditioning products.
4	I am satisfied with performing tasks, such as regular checking, repair and maintenance service, as promised.
5	I am satisfied with overall experience of owing an air conditioning product form this brand.
Sr.No.	After Sales Service
1	The responsiveness of Mitsubishi's customer support team is good when I have inquires or issues regarding my air conditioner.
2	I have provided clear and helpful instructions on how to contact Customer support team for after sales service.

3	I think the professionalism and knowledge of Mitsubishi's service technicians are proficient for repairs or maintenance.
4	Mitsubishi's solutions in resolving after-sales service issues or concerns are effective.
5	The availability of spare parts and accessories for Mitsubishi air conditioner is convenient when needed for repairs or maintenance.
	Customer Retention
1	I like the Customer awareness program of Mitsubishi Air Conditioner company.
2	I would continue purchasing Mitsubishi Air conditioner.
3	I would recommend this Mitsubishi brand to my business partner companies.
4	I received the training services from Mitsubishi Air conditioner company.
5	The overall experience of using Mitsubishi air conditioners is satisfied.

APPEDIX (II)

Regression Analysis on Effect of Marketing mix on Customer Satisfaction

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.900 ^a	.810	.799	.17025	.810	77.226	7	127	.000	2.249

a. Predictors: (Constant), Physical Evidence mean, Place mean, Promotion mean, People mean, Process mean, Price mean, Product mean

b. Dependent Variable: Customer Satisfaction mean

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	15.669	7	2.238	77.226	.000 ^b
	Residual	3.681	127	.029		
	Total	19.350	134			

a. Dependent Variable: Customer Satisfaction mean

b. Predictors: (Constant), Physical Evidence mean, Place mean, Promotion mean, People mean, Process mean, Price mean, Product mean

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
	B	Std. Error				Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
			Beta									
1 (Constant)	.366	.320		1.144	.255	-.268	1.001					
Product Mean	-.018	.043	-.019	-.422	.674	-.104	.067	.419	-.037	-.016	.727	1.376
Price mean	.063	.053	.057	1.171	.244	-.043	.168	.555	.103	.045	.621	1.610
Place mean	-.091	.097	-.044	-.937	.351	-.284	.102	.467	-.083	-.036	.665	1.504
Promotion mean	.084	.045	.093	1.882	.062	-.004	.173	.588	.165	.073	.605	1.654
People mean	.101	.056	.113	1.803	.074	-.010	.212	.746	.158	.070	.376	2.658
Process mean	.563	.090	.551	6.229	.000	.384	.742	.882	.484	.240	.190	5.258
Physical Evidence mean	.219	.074	.224	2.976	.003	.073	.364	.817	.255	.115	.262	3.811

a. Dependent Variable: Customer Satisfaction mean

Regression Analysis on Effect of Customer Satisfaction and After Sales Service on Customer Retention

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.803 ^a	.645	.639	.18554	.645	119.766	2	132	.000	1.782

a. Predictors: (Constant), Aftersales Servicemean, Customer Satisfaction mean

b. Dependent Variable: Customer Retention mean

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.245	2	4.123	119.766	.000 ^b
	Residual	4.544	132	.034		
	Total	12.789	134			

a. Dependent Variable: Customer Retention mean

b. Predictors: (Constant), Aftersales Servicemean, Customer Satisfaction mean

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics		
		B	Std. Error				Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF	
		1	(Constant)	1.199	.177		6.766	.000	.849	1.550				
	Customer Satisfaction mean	.336	.076	.413	4.427	.000	.186	.486	.767	.360	.230	.309	3.231	
	After Sales Service mean	.365	.080	.426	4.572	.000	.207	.523	.769	.370	.237	.309	3.231	

a. Dependent Variable: Customer Retention mean

Regression Analysis on Effect of Customer Satisfaction on Customer Retention

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.767 ^a	.588	.585	.19893	.588	190.170	1	133	.000	1.809

a. Predictors: (Constant), Customer Satisfaction mean

b. Dependent Variable: Customer Retention mean

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.526	1	7.526	190.170	.000 ^b
	Residual	5.263	133	.040		
	Total	12.789	134			

a. Dependent Variable: Customer Retention mean

b. Predictors: (Constant), Customer Satisfaction mean

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics		
		B	Std. Error				Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF	
1	(Constant)	1.492	.177		8.417	.000	1.141	1.842						
	Customer Satisfaction mean	.624	.045	.767	13.790	.000	.534	.713	.767	.767	.767	1.000	1.000	

a. Dependent Variable: Customer Retention mean