

A Study on the Effect of Pricing Strategy on Customer Retention in Kurdistan

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Abstract- Pricing Strategies is the most vital variables related to the required industry consequence in a competitive business environment. The main purpose of this study is to investigate the relationship between pricing strategy and customer retention. The aim of this study is to analyze the relationship between pricing strategy and customer retention in selected businesses in Kurdistan. The researcher used quantitative research study to analyze the relationship between pricing strategy and customer retention in chosen businesses in Kurdistan. The researcher gathered 87 questionnaires in order to measure the relationship. The findings revealed that the correlation showed that the value of Pearson correlation is .825** this demonstrated that there is a positive and significant relationship between pricing strategies and customer retention in businesses in Kurdistan, the finding of a simple regression analysis showed that the P value is .000 (B= .846) this means there is a positive and significant relationship between pricing strategies and customer retention in Businesses in Kurdistan, therefore the findings demonstrated that the research hypothesis is supported. According to the research findings, it is highly suggested to use an effective pricing strategy in order to retain customers in Businesses in Kurdistan. The limitation of this research is lack of time that the researcher was not able to gather more information and data regarding pricing strategy and customer retention. The novelty of this research as specifically to the Erbil market penetration pricing is the best to keep the customer for the long run of business.

Keywords- Pricing strategy, customer retention, Marketing, Kurdistan

1. Introduction

The present competitive business environment boosts consumers' retention likelihood in order to manage the organization's security against advances rivalry. Customer retention is expected to accomplish this objective. Pricing Strategies is the most vital variables related to the required

industry consequence in a competitive business environment. It is the most fundamental factor that is required to item maintainability in a focused commercial

Center [5]. Customer retention is the action that a vender attempts in order to lessen client rebellions. It is tied in with drawing in the correct client, motivating them to purchase frequently and in higher amounts and to bring you significantly more clients [27]. Customer retention directly affects long haul client lifetime esteem, which is a more beneficial road for firms that look to seek after development and maintainability or those that try to shield themselves from advertise shrinkage coming about because of a contracting economy. Customer retention can be viewed as the identical representation of client abandonment. Customer retention, essentially characterized, is the capacity for an organization to keep its current clients. It is the measure of an organization's capacity to give enough esteem its items or administrations for clients to retain those returning [28].

Price might be a standout amongst the most critical determinants of client choices. Supervisors could use value coordinating to fortify rehash buy conduct (lessening value deserting), on the grounds that value coordinating may show a promise to ensure clients (objective: to keep clients glad so they would return and purchase once more). Seeing long haul price coordinating consequences for clients is imperative with a specific end goal to decide if price coordinating lastingly affects client conduct that is assessing the adequacy of these arrangements in empowering customer retention, notwithstanding client securing [4]. Evaluating in this way alludes to the way toward setting a price for an item or administration and more than some other component of your advertising blend will have the greatest effect on the measure of benefit you make. Price for any item or an administration will unavoidably fall somewhere close to what is too low to deliver a benefit and that which is too high to create any request. System is the arrangement of activities through which an association coincidentally or configuration creates assets and utilizations them to convey

administrations or items in a way which its clients discover profitable, while meeting the budgetary and different targets and limitations forced by key partners. Best procedures give an association some property that is novel or if nothing else unmistakable and the methods for restoring its upper hand as nature changes (del Rio, et al. 2018).

2. Literature Review

2.1 Pricing Strategies

Price is a definitive installment in the switch of an offered decent or benefit. This is clarified at the end of the day as the value or significance related with a decent or administration and hence we can state estimating methodologies is where diverse organizations set up prices for the administrations and items that they give while entering the market and when effectively infiltrating in one [9]. Ref. to [21] conceives that the advertising setup of an organization frames the fundamental base of evaluating procedures for example the non-intergraded focused estimating.

Setting price and building up a predictable technique is substantially more entangled for a retailer than for a producer due to the immense number of stock keeping units included [27]. Ref. to [8] express that price is a standout amongst the most adaptable promoting blend components that can be immediately changed, in the wake of changing particular item and administration qualities. In addition, choices for price are best when blended with other advertising blend components – item or administration, place and advancement. As indicated by, item and administration creation, its deal and advancement are the effective start of business, and ideal value assurance guarantees salary [24]. Setting prices and developing a consistent strategy is much more complicated for a retailer than for a manufacturer because of the vast number of stock keeping units involved [16]. Ref. to [9] state that price is one of the most flexible marketing mix elements that can be quickly changed, after changing specific product and service characteristics. Besides, decisions for price are most effective when harmonized with other marketing mix elements – product or service, place and promotion. Ref. to [1] product and service creation, its sale and promotion are the successful beginning of business, and optimal price determination assures income.

A few investigations have been done on estimating methodologies, each giving it distinctive approach; utilize diverse procedure and thus coming about to differed discoveries. Ref. to [20] related value methodologies and value setting hones by utilization of review strategy and theory testing on 12 interviews, demonstrated that value

systems and value setting are connected on the grounds that procedures are executed through value setting hones. Prices for extra items and the exchange of shopper surplus starting with one item then onto the next, implying that clients join more noteworthy incentive to the blend of items than to the total of these items sold exclusively, so firms that seek after packaging procedures ought to connect moderately more in esteem educated estimating [17]. Client esteem evaluating likely identifies with higher degrees of price-educated estimating, in light of the fact that organizations must decide the main issue of the key element that they mean to offer as a deal and survey the results of this low price for different things. At a corresponding price technique, firms connect especially in rivalry educated evaluating to set the price of the fundamental thing in the item blend at aggressive levels. In this way, we expect that organizations that seek after a corresponding value technique connect moderately more in competition based evaluating [26].

Ref. to [15] brought into light that different methodologies of valuing are instructed under rules of a few resolutions grasping the budgetary, business and mental factor. Ref. to [11] bring into light that advancement and positive development of evaluating systems and its application as observed through the positive nonstop accomplishment in deals is dependably not seen by the outer individuals from an organization educated that in the showcasing condition, valuing procedure is a hard and confused component and has a need to demonstrate the free market activity relations [6].

2.2 Customer Retention

Customer retention has that when the client utilizes the organization's item/administrations or offering jelly going. Customer retention may be characterized that the client purpose to remain with the specialist co-op for their future [3]. Customer retention characterizes numerous scientists that the customer retention are excessively vital for the client and they disclose that to draw in the client and afterward retain that client are excessively essential for the clients [18]. Ref. to [6] express that a customer retention happens when client buy an item or administrations in over and over this wonder is brought customer retention over a broadened time of the time. For item or administrations for short buy time the client buy the item or administrations over a predefined day and age.

An enhanced rate of customer retention can be predicted in Global market condition when strong instruments of control are set up for organizations giving administrations in light of the fact that such organizations will have the capacity to decrease and cut cost of executing and blending promoting systems and make fitting deviations more

successful in worldwide markets. In the business of Information Technology. Ref. to [7] stated that organizations in this industry are not all that sharp in taking thought the utilization of measurements that shape a fundamental for the achievement of customer retention of an organization.

To retain customer in benefit industry the associations must be client center, which will enhance benefit quality and thusly will be effective in holding their clients. Setting up fruitful connections assumes an extraordinary part in enhancing association's execution by contributing extensively towards steadfastness, and maintenance with consumer loyalty [12]. Conduct and the level of inspiration of staff likewise have some significance in regard to maintenance in light of the fact that fulfilled representatives have a tendency to convey better quality administrations. Successful inside promoting improves the view of representatives in regards to their part and duties which consequently helps with making and keeping up a client situated administration culture inside the association [14]. A considerable lot of the exploration on the customer retention giving one's thinking that holding client can enhance the benefit edge and by diminishing the cost which can happen in to snatch the new client [28].

3. Research Problem

6. Conceptual Framework



Figure 1. Conceptual framework

7. Research Hypothesis

H1: There is a positive relationship between pricing strategies and customer retention in Businesses in Kurdistan.

8. Research Methodology

8.1 Research Design

The researcher used qualitative research study to analyze the relationship between pricing strategy and customer retention in chosen businesses in Kurdistan. However, the quantitative method can be defined as a wide tool that could

Many previous researches proved that the main problem facing customers' retention in many industries is instability of pricing strategy. In the present economic situation, to retain present consumers, businesses should declare a clear and stable pricing strategy. This considers the main research problem, which the study aimed to investigate the relationship between pricing strategy and customer retention in businesses in Kurdistan.

4. Research Objectives

In order to achieve this aim the researcher developed the following three research objectives:

- To find the customer's focus whether is on product price or product quality.
- To find which pricing strategy is the best to retain customers.

5. Research Questions

The researcher set the following three main research questions to be analyzed during this study;

Research question -1- Do customers focus on product price or product quality?

Research question -2- Which pricing strategy is the better to retain customers than other pricing strategy?

be implemented to a variety of study methods. The researcher employed quantitative research study by distributing questionnaires in Erbil city to find out the relationship between pricing strategy and customer retention in chosen businesses in Kurdistan.

8.2. Sampling

Quantitative method needs usually focus on large groups selected for the aim of analyzing the relationship between pricing strategy and customer retention in chosen businesses in Kurdistan. The researcher distributed 100 questionnaires but only 87 questionnaires received by the researcher. So the sample size of this study is 87 respondents participated to measure the relationship

between pricing strategy and customer retention. Though the study will continue further for exploration of more in-depth information by increasing the sample size, but here the population is not much aware about the research terminology. The reason a bit less sample could get collected. Still the sample collected are representing the population and the outcome is real and leading to further research.

8.3. Data collection methods

Quantitative research study continue as the one of the most popular method for gathering information in qualitative studies and is a common and flexible method of requesting and inquiring individuals regarding of their thoughts and point of views. One of the author's charms was that only few questionnaires can be conducted during the study. The

9.1. Frequency analysis

researcher developed seven questions regarding the relationship between pricing strategy and customer retention in chosen businesses in Kurdistan. The researcher adopted the questionnaire from different academic sources [23], [2], [22].

9. Analysis and Findings

After receiving 87 questionnaires from respondents, as mentioned earlier that the researcher set 11 questions concerning the relationship between pricing strategy and customer retention, the researcher was able to find the following results:

Table 1. Demographic Variables Description

Parameters		Frequency	Percentage
Gender	Male	59	68
	Female	28	32
Age	20-25	12	13.8
	26-30	14	16.1
	31-35	27	31.0
	36-40	16	18.4
	41-45	8	9.2
	46-50	5	5.7
	51-55	5	5.7
Marital Status	Married	24	27.6
	Separated	5	5.7
	Widowed	5	5.7
	Single	50	57.5
	Divorced	3	3.4
Education	High School	4	4.6
	College	9	10.3
	University	55	63.2
	Graduate School	16	18.4
	Other	3	3.4

Source: from SPSS

As we can see in the table (1), the demographic information of 87 respondents participated in this study, the findings demonstrated that 59 male respondents involved in the current study, and 28 female respondents involved in the current study. Regarding of respondents' age; the findings demonstrated that 12 respondents were from age 20-25, 14 respondents were from age 26-30, 27 respondents were from age 31-35, 16 respondents were from age 36-40, 8 respondents were from age 41-45, 5 respondents were from age 46-50 and 5 respondents were from age 51-55.

Regarding of respondents' marital status; the findings demonstrated that 24 respondents were married, 5 respondents were separated, 5 respondents were widowed, 50 respondents were single and only 3 respondents were divorced, and finally regarding respondents' educational background, the findings demonstrated that 4 respondents had high school degree, 9 respondents had high college degree, 55 respondents had university degree, 16 respondents had graduated school degree and only 3 respondents had other sorts of degree.

Table 2. Reliability analysis

N of Items	Cronbach's Alpha
13	.793
Items	Cronbach's Alpha
Q1. Company should use premium pricing strategy to increase or maintain market share and sales volume.	.780
Q2. Company should use premium pricing strategy to match competitor pricing	.780
Q3. Company should use premium pricing strategy to avoid price wars	.785
Q4. Company should use premium pricing strategy to maintain barriers to entry	.772
Q5. Company should use penetration pricing strategy to achieve rational price structure	.777
Q6. Company should use penetration pricing strategy to undercut competitor pricing	.776
Q7. I prefer price over quality.	.787
Q8. I response quickly toward the favorable changes in price.	.777
Q9. Customer retention is the future behavioral intention	.781
Q10. I believe on retention of Customer instead of Profit	.779
Q11. Competitive advantage can be only possible through customer retention.	.783
Q12. Loyalty by the reason of attachment and obligation is Customer retention.	.777
Q13. Mostly I negotiate on price because I believe on reasonable Price.	.783

Source: from SPSS

As we can see in the table (2) the reliability analysis to investigate the reliability of all items used to measure the relationship between pricing strategy and customer retention in Erbil. The findings demonstrated that the value of 13 questions used was .793 this proved that all 13 questions used to measure the relationship between pricing strategy and customer retention were reliable. For more information, the researcher demonstrated each question as follow; as for the first question as stated that in order to increase the market share, business has to employ pricing strategy, however the value for the second question was .780 this proved that the first question was reliable, as for the second question as stated that in order to compare the price of the rivals , business has to employ pricing strategy, however the value for the first question was .780 this proved that the second question was reliable, as for the third question as stated that in order to protect from price war , business has to employ pricing strategy, however the value for the third question was .785 this proved that the third question was reliable, as for the fourth question as stated that in order to sustain and create barriers to other competitors to enter , business has to employ pricing strategy, however the value for the fourth question was .772 this proved that the fourth question was reliable, as for the fifth question as stated that in order to attain competitive pricing , business has to employ pricing strategy, however the value for the fifth question was .777 this proved that the fifth question was reliable, as for the sixth question as stated that in order to set price below competitors , business has to employ pricing strategy, however the value for the sixth

question was .776 this proved that the sixth question was reliable, as for the seventh question as stated that whether consumers are preferring product price rather than quality of product, however the value for the seventh question was .876 this proved that the seventh question was reliable, as for the eighth question as stated that whether consumers are noticing and reacting towards a good change in the product price, however the value for the eighth question was .777 this proved that the eighth question was reliable, as for the ninth question as stated that predicted behavior of consumers will be customer retention, however the value for the ninth question was .781 this proved that the ninth question was reliable, as for the tenth question as stated that whether businesses are taking customer retention as their priority rather than sales volume or return on investment, however the value for the tenth question was .779 this proved that the tenth question was reliable, as for the eleventh question as stated that some businesses are implementing customer retention as a strategy to attain competitive advantage over the rivals, however the value for the eleventh question was .783 this proved that the eleventh question was reliable, as for the twelfth question as stated that by creating and building customer retention, businesses will be able to build customer loyalty, however the value for the twelfth question was .777 this proved that the twelfth question was reliable, and as for the thirteenth question as stated that customers are focusing on price negotiation, however the value for the thirteenth question was .783 this proved that the thirteenth question was reliable.

Table 3-Items Description

Parameters		Frequency	Percentage
Q1. Company should use premium pricing strategy to increase or maintain market share and sales volume.	Strongly disagree	5	5.7
	Disagree	6	6.9
	Neutral	14	16.1
	Agree	41	47.1
	Strongly agree	21	24.1
Q2. Company should use premium pricing strategy to match competitor pricing	Strongly disagree	5	5.7
	Disagree	7	8.0
	Neutral	21	24.1
	Agree	34	39.1
	Strongly agree	20	23.0

Q3. Company should use premium pricing strategy to avoid price wars	Strongly disagree	5	5.7
	Disagree	7	8.0
	Neutral	13	14.9
	Agree	36	41.4
	Strongly agree	26	29.9
Q4. Company should use premium pricing strategy to maintain barriers to entry	Strongly disagree	5	5.7
	Disagree	5	5.7
	Neutral	15	17.2
	Agree	36	41.4
	Strongly agree	26	29.9
Q5. Company should use penetration pricing strategy to achieve rational price structure	Strongly disagree	7	8.0
	Disagree	8	9.2
	Neutral	16	18.4
	Agree	38	43.7
	Strongly agree	18	20.7
Q6. Company should use penetration pricing strategy to undercut competitor pricing	Strongly disagree	6	6.9
	Disagree	8	9.2
	Neutral	22	25.3
	Agree	34	39.1
	Strongly agree	17	19.5
	Strongly disagree	4	4.6
	Disagree	6	6.9

Q7. I prefer price over quality.	Neutral	13	14.9
	Agree	37	42.5
	Strongly agree	27	31.0
Q8. I response quickly toward the favorable changes in price.	Strongly disagree	5	5.7
	Disagree	4	4.6
	Neutral	14	16.1
	Agree	34	39.1
	Strongly agree	30	34.5
Q9. Customer retention is the future behavioral intention	Strongly disagree	6	6.9
	Disagree	6	6.9
	Neutral	14	16.1
	Agree	40	46.0
	Strongly agree	21	24.1
Q10. I believe on retention of Customer instead of Profit	Strongly disagree	6	6.9
	Disagree	7	8.0
	Neutral	21	24.1
	Agree	35	40.2
	Strongly agree	18	20.7
Q11. Competitive advantage can be only possible through customer retention.	Strongly disagree	5	5.7
	Disagree	7	8.0
	Neutral	15	17.2
	Agree	35	40.2

	Strongly agree	25	28.7
	Strongly disagree	5	5.7
Q12. Loyalty by the reason of attachment and obligation is Customer retention.	Disagree	4	4.6
	Neutral	15	17.2
	Agree	34	39.1
	Strongly agree	29	33.3
	Strongly disagree	6	6.9
Q13. Mostly I negotiate on price because I believe on reasonable Price.	Disagree	7	8.0
	Neutral	15	17.2
	Agree	39	44.8
	Strongly agree	20	23.0

Source: from SPSS

As we can see in the table (3), the descriptive analysis used to investigate the relationship between pricing strategy and customer retention in Erbil. The findings for the first question which stated that that in order to increase the market share, business has to employ pricing strategy, 5 respondents reported as strongly disagree that in order to increase the market share, business has to employ pricing strategy, 6 respondents reported as disagree that in order to increase the market share, business has to employ pricing strategy, 14 respondents reported as neutral that in order to increase the market share, business has to employ pricing strategy, 41 respondents reported as agree that in order to increase the market share, business has to employ pricing strategy, and 21 respondents reported as strongly agree that in order to increase the market share, business has to employ pricing strategy. However, the findings of the first questions revealed that the majority of the participants reported as agree that in order to increase the market share, business has to employ pricing strategy.

As for the second question as stated that in order to compare the price of the rivals , business has to employ pricing strategy, the findings revealed that 5 respondents reported as strongly disagree that in order to compare the price of the rivals , business has to employ pricing strategy, 7

respondents reported as disagree that in order to compare the price of the rivals , business has to employ pricing strategy, 21 respondents reported as neutral that in order to compare the price of the rivals , business has to employ pricing strategy, 34 respondents reported as agree that in order to compare the price of the rivals , business has to employ pricing strategy, and 20 respondents reported as strongly agree that in order to compare the price of the rivals , business has to employ pricing strategy, however the majority of respondents reported as agree that in order to compare the price of the rivals , business has to employ pricing strategy.

As for the third question as stated that in order to protect from price war, business has to employ pricing strategy, the findings revealed that 5 respondents reported as strongly disagree that in order to protect from price war, business has to employ pricing strategy 7 respondents reported as disagree that in order to protect from price war, business has to employ pricing strategy 13 respondents reported as neutral that in order to protect from price war, business has to employ pricing strategy 36 respondents reported as agree that in order to protect from price war, business has to employ pricing strategy and 26 respondents reported as strongly agree that in order to protect from price war,

business has to employ pricing strategy, however the majority of respondents reported as agree that in order to protect from price war, business has to employ pricing strategy.

As for the fourth question as stated that in order to sustain and create barriers to other competitors to enter , business has to employ pricing strategy, the findings revealed that 5 respondents reported as strongly disagree that in order to sustain and create barriers to other competitors to enter , business has to employ pricing strategy, 5 respondents reported as strongly disagree that in order to sustain and create barriers to other competitors to enter , business has to employ pricing strategy, 5 respondents reported as disagree that in order to sustain and create barriers to other competitors to enter , business has to employ pricing strategy, 15 respondents reported as neutral that in order to sustain and create barriers to other competitors to enter , business has to employ pricing strategy, 36 respondents reported as agree that in order to sustain and create barriers to other competitors to enter , business has to employ pricing strategy, and 26 respondents reported as strongly agree that in order to sustain and create barriers to other competitors to enter , business has to employ pricing strategy, however, the majority of respondents reported as agree that in order to sustain and create barriers to other competitors to enter , business has to employ pricing strategy.

As for the fifth question as stated that in order to attain competitive pricing , business has to employ pricing strategy, however the findings revealed that 7 respondents reported as strongly disagree that in order to attain competitive pricing , business has to employ pricing strategy, 8 respondents reported as disagree that in order to attain competitive pricing , business has to employ pricing strategy, 16 respondents reported as neutral that in order to attain competitive pricing , business has to employ pricing strategy, 38 respondents reported as agree that in order to attain competitive pricing , business has to employ pricing strategy, 18 respondents reported as strongly agree that in order to attain competitive pricing , business has to employ pricing strategy, however, the majority of respondents reported as agree that in order to attain competitive pricing , business has to employ pricing strategy.

As for the sixth question as stated that in order to set price below competitors , business has to employ pricing strategy, however the findings revealed that 6 respondents reported as strongly disagree that in order to set price below competitors , business has to employ pricing strategy, 8 respondents reported as disagree that in order to set price below competitors , business has to employ pricing strategy, 22 respondents reported as neutral that in order to set price below competitors , business has to employ

pricing strategy, 34 respondents reported as agree that in order to set price below competitors , business has to employ pricing strategy, 17 respondents reported as strongly agree that in order to set price below competitors , business has to employ pricing strategy, however the majority of respondents reported as agree that in order to set price below competitors , business has to employ pricing strategy.

As for the seventh question as stated that whether consumers are preferring product price rather than quality of product, however the findings revealed that 4 respondents reported as strongly disagree that consumers are preferring product price rather than quality of product, 6 respondents reported as strongly disagree that consumers are preferring product price rather than quality of product, 13 respondents reported as disagree that consumers are preferring product price rather than quality of product, 37 respondents reported as neutral that consumers prefer product price rather than quality of product, 27 respondents reported as agree that consumers prefer product price rather than quality of product, however the majority of respondents reported as agree that consumers are preferring product price rather than quality of product.

As for the eighth question as stated that whether consumers are noticing and reacting towards a good change in the product price, however the findings revealed that 6 respondents reported as strongly disagree that consumers are noticing and reacting towards a good change in the product price, 6 respondents reported as disagree that consumers are noticing and reacting towards a good change in the product price, 14 respondents reported as neutral that consumers are noticing and reacting towards a good change in the product price, 40 respondents reported as agree that consumers are noticing and reacting towards a good change in the product price, 21 respondents reported as strongly agree that consumers are noticing and reacting towards a good change in the product price, however the majority of respondents reported as agree that consumers are noticing and reacting towards a good change in the product price.

As for the ninth question as stated that predicted behavior of consumers will be customer retention, however the findings revealed that 6 respondents reported as strongly disagree that the predicted behavior of consumers will be customer retention, 7 respondents reported as disagree that the predicted behavior of consumers will be customer retention, 21 respondents reported as neutral that the predicted behavior of consumers will be customer retention, 35 respondents reported as agree that the predicted behavior of consumers will be customer retention, 18 respondents reported as strongly agree that the predicted behavior of consumers will be customer

retention, however the majority of respondents reported as agree that the predicted behavior of consumers will be customer retention.

As for the tenth question as stated that whether businesses are taking customer retention as their priority rather than sales volume or return on investment, however the findings revealed that 5 respondents reported as strongly disagree that businesses are taking customer retention as their priority rather than sales volume or return on investment, 7 respondents reported as disagree that businesses are taking customer retention as their priority rather than sales volume or return on investment, 15 respondents reported as neutral that businesses are taking customer retention as their priority rather than sales volume or return on investment, 35 respondents reported as agree that businesses are taking customer retention as their priority rather than sales volume or return on investment, 25 respondents reported as strongly agree that businesses are taking customer retention as their priority rather than sales volume or return on investment, however the majority of respondents reported as agree that businesses are taking customer retention as their priority rather than sales volume or return on investment.

As for the eleventh question as stated that some businesses are implementing customer retention as a strategy to attain competitive advantage over the rivals, however the findings revealed that 5 respondents reported as strongly disagree that some businesses are implementing customer retention as a strategy to attain competitive advantage over the rivals, 4 respondents reported as disagree that some businesses are implementing customer retention as a strategy to attain competitive advantage over the rivals, 15 respondents reported as neutral that some businesses are implementing customer retention as a strategy to attain competitive advantage over the rivals, 34 respondents reported as agree that some businesses are implementing customer retention

as a strategy to attain competitive advantage over the rivals, 29 respondents reported as strongly agree that some businesses are implementing customer retention as a strategy to attain competitive advantage over the rivals, however the majority of respondents reported as agree that some businesses are implementing customer retention as a strategy to attain competitive advantage over the rivals.

As for the twelfth question as stated that by creating and building customer retention, businesses will be able to build customer loyalty, however the findings revealed that 6 respondents reported as strongly disagree that by creating and building customer retention, businesses will be able to build customer loyalty, 7 respondents reported as disagree that by creating and building customer retention, businesses will be able to build customer loyalty, 15 respondents reported as neutral that by creating and building customer retention, businesses will be able to build customer loyalty, 39 respondents reported as agree that by creating and building customer retention, businesses will be able to build customer loyalty, 20 respondents reported as strongly agree that by creating and building customer retention, businesses will be able to build customer loyalty, however the majority respondents reported as agree that by creating and building customer retention, businesses will be able to build customer loyalty, and as for the thirteenth question as stated that customers are focusing on price negotiation, however the findings revealed that 6 respondents reported as strongly disagree that customers are focusing on price negotiation, 7 respondents reported as disagree that customers are focusing on price negotiation, 15 respondents reported as neutral that customers are focusing on price negotiation, 39 respondents reported as agree that customers are focusing on price negotiation, 20 respondents reported as strongly agree that customers are focusing on price negotiation, however the majority respondents reported as agree that customers are focusing on price negotiation.

Table 4. T-test

One-Sample Test			
Parameters	Test Value = 3		
	T	df	Sig. (2-tailed)
Q1. Company should use premium pricing strategy to increase or maintain market share and sales volume.	15.357	86	.000
Q2. Company should use premium pricing strategy to match competitor pricing	14.062	86	.000

Q3. Company should use premium pricing strategy to avoid price wars	15.042	86	.000
Q4. Company should use premium pricing strategy to maintain barriers to entry	15.618	86	.000
Q5. Company should use penetration pricing strategy to achieve rational price structure	12.892	86	.000
Q6. Company should use penetration pricing strategy to undercut competitor pricing	12.944	86	.000
Q7. I prefer price over quality.	16.400	86	.000
Q8. I response quickly toward the favorable changes in price.	16.247	86	.000
Q9. Customer retention is the future behavioral intention	14.519	86	.000
Q10. I believe on retention of Customer instead of Profit	13.365	86	.000
Q11. Competitive advantage can be only possible through customer retention.	14.771	86	.000
Q12. Loyalty by the reason of attachment and obligation is Customer retention.	16.081	86	.000
Q13. Mostly I negotiate on price because I believe on reasonable Price.	14.023	86	.000

Source: From SPSS

As we can see in the table (4), the t-test used to investigate the relationship between pricing strategy and customer retention in Erbil. The first question had significant value .000 which stated that that in order to increase the market share, business has to employ pricing strategy,

The second question had significant value .000 which stated that in order to compare the price of the rivals, business has to employ pricing strategy.

The third question had significant value .000 which stated that in order to protect from price war, business has to employ pricing strategy. The fourth question had significant value .000 which stated that in order to sustain and create barriers to other competitors to enter; business has to employ pricing strategy. The fifth question had significant value .000 which stated that in order to attain competitive pricing, business has to employ pricing strategy. The sixth question had significant value .000 which stated that in order to set price below competitors, business has to employ pricing strategy. The seventh

question had significant value .000 which stated that whether consumers prefer product price rather than quality of product. The eighth question had significant value .000 which stated that whether consumers are noticing and reacting towards a good change in the product price. The ninth question had significant value .000 which stated that predicted behavior of consumers will be customer retention. The tenth question had significant value .000 which stated that whether businesses are taking customer retention as their priority rather than sales volume or return on investment. The eleventh question had significant value .000 which stated that some businesses are implementing customer retention as a strategy to attain competitive advantage over the rivals. The twelfth question had significant value .000 which stated that by creating and building customer retention, businesses will be able to build customer loyalty, and the thirteenth question had significant value .000 which stated that customers are focusing on price negotiation.

Table 5. Correlation analysis

Items	Correlations		
		Pricing strategy	Customer retention
Pricing strategy	Pearson Correlation	1	.825**
	Sig. (2-tailed)		.000
	N	87	87
Customer retention	Pearson Correlation	.825**	1
	Sig. (2-tailed)	.000	
	N	87	87

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

Source: from SPSS

As we can see in the table (5), the correlation between pricing strategy as independent variable and customer satisfaction as dependent variable, the findings revealed that the value of Pearson correlation is .825** this

demonstrated that there is a positive and significant relationship between pricing strategies and customer retention in businesses in Kurdistan.

Table 6. ANOVA

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	23.317	1	23.317	181.296	.000 ^b
	Residual	10.932	85	.129		
	Total	34.249	86			
a. Dependent Variable: retention						
b. Predictors: (Constant), pricing						

Table 6. Regression analysis

Model		Coefficients ^a				t	Sig.
		Unstandardized Coefficients		Standardized Coefficients			
		B	Std. Error	Beta			
1	(Constant)	.562	.239			2.352	.021
	Pricing strategy	.846	.063	.825		13.465	.000

a. Dependent Variable: customer retention

Source: from SPSS

As we can see in the table (7), the P value is .000 (B= .846) this means there is a positive and significant relationship between pricing strategies and customer retention in Businesses in Kurdistan, therefore the findings demonstrated that the research hypothesis is supported.

10. Findings and Conclusion

The researcher employed a simple regression analysis and correlation analysis to find the relationship between independent variable and dependent variable. In this study pricing strategy is independent variable and customer retention is dependent variable. The findings of correlation showed that the value of Pearson correlation is .825 this demonstrated that there is a positive and significant relationship between pricing strategies and customer retention in businesses in Kurdistan. Finally, the finding of a simple regression analysis showed that the P value is .000 (B= .846) this means there is a positive and significant relationship between pricing strategies and customer retention in Businesses in Kurdistan, therefore the findings demonstrated that the research hypothesis is supported. Furthermore, the researcher set two research questions to be answered, the first research question which stated that do customers focus on product price or product quality?, it was found that customers focus on product price rather than product quality, and second research question which stated that which pricing strategy is the better to retain customers than other pricing strategy?, it was found penetration pricing strategy is better to retain customers.

As per the research outcome the novelty is the understanding of specific pricing strategies. These day's market and customer both are highly fluctuate, so it gets important to understand the way customer can get retained with business. Specifically to the Erbil market penetration pricing is the best to keep the customer for the long run of business.

11. Suggestions and Limitations

According to the research findings, it is highly suggested to use an effective pricing strategy in order to retain customers in Businesses in Kurdistan. The limitation of this research is lack of time that the researcher was not able to gather more information and data regarding pricing strategy and customer retention.

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