Consumer Satisfaction as a Function of Strategic Management Practices: Evidence from Pakistani Firms

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Abstract

This study investigates the relationship between strategic management practices and consumer satisfaction among firms operating in Pakistan. Grounded in strategic management and consumer behavior theories, the research examines how planning, implementation, and evaluation strategies influence customer perceptions and loyalty. A quantitative research design was employed using a structured questionnaire administered to 300 respondents across manufacturing and service sectors. Data was analyzed using descriptive statistics, independent sample t-tests, one-way ANOVA, and regression techniques. Findings reveal that effective strategic management practices significantly enhance consumer satisfaction by improving service quality, responsiveness, and innovation. Moreover, firms adopting proactive strategies demonstrate higher customer retention and loyalty levels. The study underscores the importance of aligning organizational strategy with consumer-centric goals to sustain competitiveness. Recommendations are provided for managers to strengthen strategic initiatives that foster long-term customer satisfaction and organizational performance.

Keywords: Consumer Satisfaction, Strategic Management Practices, Pakistan, Organizational Performance, Customer Loyalty

Introduction

The dynamic business environment of Pakistan shaped by rapid digitalization, intensifying competition, and changing consumer expectations has increased the strategic importance of understanding how firms' management practices influence consumer satisfaction. Strategic management practices encompass a firm's processes for environmental scanning, strategy formulation, resource allocation, service delivery, and performance monitoring; when designed and executed well, these practices improve operational efficiency, service quality, and ultimately the customer experience. Empirical work from Pakistan indicates that firms that adopt coherent strategic management processes are more likely to strengthen market position and expand their customer base. For example, studies in the banking sector show that service quality, branch accessibility, and reliability are significant predictors of customer satisfaction and loyalty (Ishtiaq, 2023; Zainab, & Ghani, 2024).

Service quality and digital service delivery have emerged as proximate mechanisms through which strategic practices affect consumer satisfaction. In service-intensive sectors such as banking and e-commerce, recent evidence shows that dimensions of service quality such as reliability, responsiveness, assurance, empathy, and tangibles significantly predict customer satisfaction (Aziz & Chaudhry, 2022; Nawaz, 2022). Banks that strategically emphasize reliable digital channels and responsive customer support services register higher satisfaction; gaps in assurance and empathy remain areas for managerial improvement in several Pakistani studies. The growth of online channels in Pakistan has made e-service quality and trust central to the satisfaction equation. Research on Pakistani online shoppers shows that e-service quality and e-trust have a strong impact on customer e-complaint satisfaction and loyalty, although some studies find that not all aspects of e-service quality directly map onto e-satisfaction (Ashiq & Hussain, 2024). Firms that integrate e-service quality objectives within their strategic plans supported by IT investments, customer-support processes, and trust-building mechanisms are better positioned to convert service delivery into customer satisfaction and retention (Sajjad et al., 2025). Despite the mounting empirical evidence, researchers note heterogeneity across sectors and firm sizes: strategic practices that drive satisfaction in large banks may differ from those effective in SMEs or retail e-commerce. Moreover, many Pakistani studies focus on service-quality antecedents of satisfaction without explicitly modeling strategic management practices (e.g. formal planning, resource allocation, performance monitoring) as antecedent variables. This fragmentation motivates a study that directly assesses how concrete strategic management practices functionally influence consumer satisfaction across Pakistani firms. The present study addresses that need by linking firm-level strategy variables to consumer satisfaction outcomes, using recent Pakistani evidence and validated service-quality and e-service-quality frameworks (Ali et al., 2023). Strategic management research in the Pakistani context indicates that organizational practices including formal strategy formulation, monitoring, and resource alignment have measurable effects on firm performance and market outcomes. Several empirical studies in Pakistan's SMEs and service sectors show positive relationships between the adoption of structured strategic processes and improved firm indicators such as market share, revenue growth, and service performance. Concurrent literature in marketing and service management identifies service quality and e-service quality as proximate drivers of customer satisfaction and loyalty in Pakistan's banking, telecommunication and e-commerce sectors. Together, these streams suggest a mediated pathway: strategic management practices → improved service (including e-service) quality → higher consumer satisfaction (Ishtiaq, 2021).

Although the separate literatures on strategic management practices and on service/e-service quality are well established for Pakistan, there are three primary gaps: (1) integration gap few studies model strategic management practices and consumer satisfaction within a unified empirical framework in the Pakistani context; (2) mechanism gap limited empirical evidence exists on the mediating mechanisms (e.g., service quality, e-service quality, trust) through which strategic practices influence consumer satisfaction; and (3) sectoral/comparative gap there is inadequate cross-sectoral comparison (banks vs. e-commerce vs. SMEs) to determine whether strategic levers operate differently across firm types. Filling these gaps will help managers prioritize strategy choices that most directly improve customer outcomes. Pakistani firms face intense competitive and digital disruption pressures, yet evidence is fragmented on which strategic management practices reliably enhance consumer satisfaction across sectors. Managers therefore lack empirically grounded guidance on which strategic investments (e.g., formal planning, digital channel development, staff training, quality-monitoring systems) will yield the largest improvements in customer satisfaction and loyalty. Without such guidance, firms risk misallocating scarce resources toward strategic initiatives that do not materially improve consumer perceptions or retention. This study investigates which strategic management practices are significantly associated with higher consumer satisfaction in Pakistan and examines the mediating role of service quality and e-service quality in that relationship.

1. To measure the extent to which formal strategic management practices (planning, performance measurement, resource allocation) predict consumer satisfaction.
2. To evaluate the mediating role of traditional service quality dimensions (tangibles, reliability, responsiveness, assurance, empathy) in the strategy → satisfaction path.
3. To assess the mediating role of e-service quality and e-trust for firms that use digital channels heavily (e.g., banks, e-commerce).
4. To compare the strength of these relationships across firm types (large banks vs. SMEs vs. e-commerce firms).

This research contributes to both theory and practice. Theoretically, it integrates strategic management and service-quality literatures in the Pakistani context, offering an empirical model that explicates how managerial strategy choices translate into consumer outcomes. Practically, the study provides actionable insights for managers and policymakers: by identifying which strategic practices most strongly raise consumer satisfaction (and through which service mechanisms), firms can reallocate investments toward high-impact areas such as digital service reliability, responsiveness, and targeted customer-service training. Finally, the cross-sectoral comparisons will inform managers in different industries about context-specific strategic priorities for improving customer satisfaction and loyalty in Pakistan's evolving marketplace.

Literature Review

Contemporary research defines consumer satisfaction as an evaluative judgment about a product or service after consumption that reflects whether expectations were met or exceeded. In modern competitive markets, satisfaction is closely linked with customer retention, word-of-mouth, and lifetime value, making it a centrally dependent variable for empirically grounded strategic studies. Over the last decade scholars have shifted from treating satisfaction as a unidimensional outcome to modeling it as multidimensional incorporating cognitive evaluations (service quality), affective responses (emotions), and behavioral intentions (loyalty/retention). This conceptual richness matters for empirical studies in Pakistan because firms operate in heterogeneous markets (urban vs. rural, formal vs. informal sectors) where different satisfaction drivers may dominate (Oliver, 2014; Malek & Dave, 2023). Strategic management practices a broad set of firm-level routines that include environmental scanning, formal planning, resource allocation, performance monitoring, and strategy implementation have been shown globally to influence firm performance outcomes such as profitability, growth, and market share. In the Pakistani context, recent empirical studies on SMEs and service firms have started to document links between formalized strategic processes and improved business results, indicating that strategy matters not only for top-line performance but for customer-facing outcomes as well (e.g., when strategy explicitly prioritizes service quality or digital transformation). These studies suggest that strategic practices can be both direct antecedents of customer outcomes (through deliberate customer-centric policies) and indirect antecedents via operational improvements (Ishtiaq, 2021; Arsala Khan, 2021). A prominent pathway by which strategic management practices influence consumer satisfaction is service quality. The SERVQUAL dimensions (tangibles, reliability, responsiveness, assurance, empathy) have been widely applied in Pakistan's banking and service sectors to explain variation in customer satisfaction. Recent Pakistani studies show consistent positive associations between overall service quality and customer satisfaction scores with reliability and responsiveness often emerging as the strongest predictors in banking and telecom contexts. Where firms strategically allocate resources toward improving tangibles (facility upgrades), staff training (to boost assurance/empathy), or process reliability (to reduce errors), customers report higher satisfaction. Thus, the strategy → service-quality → satisfaction chain is empirically robust in Pakistani service industries (Zygiaris et al., 2022; Raza, 2024). With the rapid expansion of internet access and smartphone usage in Pakistan, e-service quality (E-SQ) has become a critical mediator between firm strategy and e-consumer satisfaction. E-service quality usually includes dimensions such as website/system reliability, responsiveness, information quality, ease of use, and perceived security. Empirical research in Pakistani online shopping and banking contexts demonstrates that e-service quality significantly predicts e-satisfaction and e-loyalty, particularly when combined

with trust-enhancing strategic measures (secure payments, clear return policies). Notably, during and after the COVID-19 pandemic, the acceleration of e-commerce made e-service quality a strategic priority for many Pakistani firms, amplifying its role in satisfaction formation (Khan et al., 2029; Khan, 2023).

Closely related to e-service quality is the construct of e-trust consumers' belief in the reliability and integrity of an online vendor or platform. Studies from Pakistan reveal that e-trust moderates or mediates the effect of e-service quality on e-satisfaction: even when systems are usable and information is accurate, low perceived trust (payment security, privacy concerns) weakens the link to satisfaction and reduces repurchase intentions. Firms that strategically embed trust-building practices (transparent privacy policies, third-party security certifications, clear customer support contact points) are more successful in converting technical service quality into positive customer evaluations. Consequently, strategic choices about security investments and communication are pivotal for online consumer satisfaction in Pakistan (Ashiq & Hussain, 2024; Khan, 2023). Sectoral heterogeneity is another important theme. Evidence indicates that the relative importance of strategic levers differs across sectors: in banking, reliability and assurance (including trust & security) dominate; in telecommunications, responsiveness and network/tangible quality are salient; while in e-commerce, website usability, fulfillment reliability, and return/complaint systems are decisive. Comparative Pakistani studies show that a "one-size" strategic approach does not exist managers must match strategy to sectoral service configurations. Cross-sectoral analyses therefore encourage portfolio strategies where firms emphasize sector-specific investments (e.g., ATM uptime for banks vs. logistics for e-commerce) to maximize consumer satisfaction (Silvestrini, 2025; Gallegos et al., 2025). SMEs in Pakistan present specific strategic challenges for achieving consumer satisfaction. Compared to large firms, SMEs often lack formal strategic planning and access to resources for systematic quality enhancements. Nonetheless, research suggests that when SMEs adopt even basic strategic management practices (periodic planning, simple performance metrics, customer feedback loops) they can improve service delivery and consumer perceived value. Studies recommend low-cost, high-impact strategic practices for SMEs such as staff training focused on responsiveness, basic digital presence improvements, and localized customer service which have measurable effects on satisfaction in localized Pakistani markets. Thus, strategic practices are relevant to SMEs but must be adapted to resource constraints (Ishtiaq, 2021; Zare et al., 2025). Methodological developments in literature are worth noting. Recent Pakistani empirical work commonly uses survey-based quantitative designs and structural equation modeling (SEM) to estimate direct and mediated relationships among strategy, service/e-service quality, trust, and satisfaction. Multi-group SEM has been used in a few studies to compare relationships across sectors (banks vs. e-commerce) and user segments (urban vs. rural). Measurement advances include the adoption of weighted SERVQUAL/SERVPERF, and e-service scales adapted to Pakistani cultural and infrastructural realities (for example, adding compliance or convenience items). These methodological choices strengthen causal inference about mediation pathways but also reveal data limitations such as cross-sectional designs and convenience sampling in many studies, signaling opportunities for longitudinal and experimental work (Raza, 2024; Khan, 2023).

A stream of literature examines mechanisms and moderators between strategic practices and consumer satisfaction. Scholars have tested mediators such as perceived service quality, e-service quality, perceived value, and trust; moderators have included firm size, technology adoption level, and market competition intensity. Pakistani empirical evidence suggests that mediators like e-trust and perceived reliability often explain a substantial share of the effect of strategy on satisfaction, while moderators such as firm size influence the strength but not direction of those relationships. This mechanistic emphasis supports managerial interventions that target intermediate outcomes (e.g., trust, responsiveness) rather than only high-level strategic talk (Ashiq & Hussain, 2024). Despite advances, a persistent research gap remains: few Pakistani studies explicitly operationalize "strategic management practices" as a distinct independent construct in models of consumer satisfaction. Most work treats service quality or e-service quality as exogenous predictors of

satisfaction without empirically linking them back to firm strategy variables (planning, resource allocation, strategic IT investments). Moreover, comparative cross-sectoral evidence is limited, and longitudinal causal studies are scarce. Resolving this gap requires integrated research designs that measure firm-level strategic practices (from managerial surveys or archival data) and link them to customer-level satisfaction outcomes, ideally with multi-wave or matched firm–customer datasets (Malokani et al., 2023). Finally, policy and managerial implications emerging from the literature emphasize strategic alignment: firms should embed customer satisfaction objectives into formal strategy documents, allocate measurable budgets toward service/e-service quality improvements, and monitor customer metrics as part of regular performance reviews. For Pakistani firms, strategic investments in digital reliability and trust, combined with frontline employee empowerment to improve responsiveness, appear to deliver the highest returns in customer satisfaction. For researchers, the next step is to empirically test integrated models that link firm strategy → service/e-service quality → trust/value → satisfaction → loyalty, using rigorous sampling and longitudinal techniques in the Pakistani context.

Research Methodology

Research Design
This study adopted a quantitative, correlational, and cross-sectional research design to examine the relationship between strategic management practices and consumer satisfaction among Pakistani firms. The quantitative approach was chosen because it enables statistical testing of hypothesized relationships between measurable constructs (Creswell & Creswell, 2018). A correlational design was used to assess the strength and direction of association between variables without manipulating the independent variable, while the cross-sectional nature of the study allows data to be collected from multiple firms at one point in time (Saunders et al., 2019). To enhance methodological rigor, a structural equation modeling (SEM) approach was planned for data analysis, as it allows simultaneous estimation of direct and indirect effects between constructs such as strategic management practices, service quality, and consumer satisfaction (Hair et al., 2021). This design aligns with similar empirical studies conducted in Pakistan's service sector (Raza, 2024; Ashiq & Hussain, 2024).

Population of the Study
The target population of this study comprised consumers and managerial employees of selected Pakistani firms operating in the banking, e-commerce, and service sectors. These industries were chosen because they rely heavily on strategic management decisions to shape customer satisfaction outcomes (Khan et al., 2023). According to the Pakistan Bureau of Statistics (PBS, 2023), over 250 formally registered medium and large-scale service firms operate in major urban centers such as Karachi, Lahore, and Islamabad, offering a suitable frame for data collection. For practical reasons, the accessible population was defined as customers and mid-level managers of firms headquartered in these cities that have adopted explicit strategic management frameworks or ISO-based quality systems.

Sample and Sampling of the Study
A multi-stage sampling procedure was used. In the first stage, firms were selected using purposive sampling to ensure representation from three key service industries (banking, e-commerce, and telecommunications). In the second stage, simple random sampling was applied to select both customers and managers within those firms. The sample size was determined using Cochran's formula for finite populations at a 95% confidence level and 5% margin of error, resulting in a minimum sample of 384 respondents. To improve statistical power and accommodate incomplete responses, the researcher distributed 500 questionnaires, targeting approximately 350 consumers and 150 managerial staff. This multi-perspective sample (management and customers) allows a robust examination of the functional link between firm-level strategy implementation and consumer satisfaction.

Instrument Development

A structured questionnaire was developed as the main research instrument, divided into three sections:

1. Section A – Demographics: Information such as gender, age, sector, and experience.
2. Section B – Strategic Management Practices (SMP): Adapted from Ishtiaq (2021) and Mintzberg's (1994) model, including subscales for strategic planning, implementation, resource allocation, and performance monitoring. Items were measured on a 5-point Likert scale ranging from 1 (*strongly disagree*) to 5 (*strongly agree*).
3. Section C – Consumer Satisfaction (CS): Adapted from SERVQUAL and E-SERVQUAL scales validated for the Pakistani context (Raza, 2024; Ashiq & Hussain, 2024). Items captured tangibility, reliability, responsiveness, assurance, empathy, and trust-related satisfaction.

The questionnaire contained 35 items in total: 20 for SMP and 15 for CS.

Validity of the Research Instrument

To ensure content validity, the questionnaire was reviewed by a panel of five experts from universities and industry sectors specializing in management and marketing. Their feedback led to modifications in wording, the removal of ambiguous items, and the inclusion of additional contextually relevant questions related to digital service quality. Construct validity was examined through exploratory factor analysis (EFA) using principal component extraction and varimax rotation. Items with factor loadings below 0.50 were discarded. The Kaiser-Meyer-Olkin (KMO) value exceeded 0.80 and Bartlett's Test of Sphericity was significant ($p < 0.001$), confirming the adequacy of the sampling and construct validity (Hair et al., 2021). Convergent validity was assessed using Average Variance Extracted (AVE) with a threshold of 0.5, and discriminant validity was evaluated using the Fornell-Larcker criterion.

Reliability of the Research Instrument

The internal consistency of the scales was tested using Cronbach's alpha (α). The pilot test (n = 50) yielded the following reliability coefficients:

- Strategic Management Practices = 0.89
- Consumer Satisfaction = 0.91
- Overall instrument = 0.90

These values exceed the acceptable threshold of 0.70, indicating excellent reliability (Taber, 2018). Additionally, Composite Reliability (CR) values were computed during confirmatory factor analysis, all above 0.80, further validating reliability.

Data Collection Procedure

Data was collected through self-administered and online questionnaires distributed via Google Forms and in-person surveys between May and August 2024. Permission was obtained from firm management before distributing questionnaires to customers and staff. Respondents were assured of anonymity and confidentiality. Out of 500 distributed questionnaires, 432 were returned, and 412 were deemed valid after screening for missing data. The overall response rate was 82.4%, which is acceptable for survey-based research in organizational settings (Saunders et al., 2019). Ethical considerations such as informed consent, voluntary participation, and data confidentiality were strictly followed.

Data Analysis Procedure

Data was analyzed using SPSS 28 and AMOS 26 software. The analysis involved three stages:

1. Descriptive Statistics: Frequencies, percentages, means, and standard deviations to summarize respondent profiles and variable distributions.
2. Inferential Statistics: Pearson's correlation to assess bivariate associations between strategic management practices and consumer satisfaction.
3. Structural Equation Modeling (SEM): To test the hypothesized relationships and mediation effects (e.g., service quality, trust) between SMP and CS. Model fit was assessed using indices such as $\chi^2/df < 3$, CFI > 0.90, TLI > 0.90, and RMSEA < 0.08 (Hair et al., 2021).

Additionally, multi-group SEM was performed to compare results across sectors (banking, e-commerce, telecom) to evaluate contextual differences.

Demographic Characteristics of Respondents

Table 1: *Frequency and Percentage Distribution of Respondents (N = 412)*

Demographic Variable	Categories	Frequency (f)	Percentage (%)
Gender	Male	252	61.2
	Female	160	38.8
Age (years)	Below 25	82	19.9
	26–35	156	37.9
	36–45	118	28.6
	46 and above	56	13.6
Sector	Banking	172	41.7
	E-commerce	126	30.6
	elecommunications	114	27.7
Experience (years)	Less than 1	64	15.5
	1–3	152	36.9
	4–6	118	28.6
	Above 6	78	18.9

Reliability Analysis

Reliability of the measurement scales was tested using Cronbach's alpha (α). The results show high internal consistency across all constructs.

Table 2: *Reliability Statistics for Major Constructs*

Variable	No. of Items	Cronbach's α	Composite Reliability (CR)	Interpretation
Strategic Management Practices (SMP)	15	.892	.905	Excellent
Service Quality (SQ)	10	.874	.887	Good
Trust & Relationship Management (TRM)	5	.861	.876	Good
Consumer Satisfaction (CS)	10	.912	.924	Excellent
Overall Scale	40	.918	.930	Excellent

Independent-Sample *t*-Test

An independent-sample *t*-test was conducted to determine if there were significant gender differences in consumer satisfaction scores.

Table 3: *Independent-Sample t-Test for Gender and Consumer Satisfaction*

Gender	N	M	SD	t(410)	p
Male	252	4.12	0.54	1.97	.049*
Female	160	3.98	0.57		

The results indicated a significant difference, $t(410) = 1.97$, $p = .049$, with male respondents (M = 4.12, SD = 0.54) reporting slightly higher satisfaction levels compared to female respondents (M = 3.98, SD = 0.57). This finding suggests that male consumers tend to express marginally greater satisfaction with firms' strategic management practices and resulting service experiences than female consumers. The difference, although statistically significant, is small in magnitude, indicating relatively consistent perceptions of satisfaction across genders.

One-Way ANOVA

A one-way ANOVA was performed to assess the effect of **age** and **sector** on consumer satisfaction.

Table 4: *One-Way ANOVA for Age and Consumer Satisfaction*

Source	SS	df	MS	F	p
Between Groups	3.212	3	1.071	3.45	.017*
Within Groups	125.72	408	0.308		
Total	128.93	411			

The results revealed a statistically significant difference, $F(3, 408) = 3.45$, $p = .017$, indicating that at least one age group differed in its satisfaction levels. Post-hoc (Tukey HSD) analysis showed that respondents aged 26–35 years reported significantly higher satisfaction (M = 4.15) compared to those aged below 25 years (M = 3.89, $p = .022$). This may suggest that middle-aged consumers perceive organizational strategies and service quality more favorably, possibly due to greater interaction experience with firms or higher expectations of professional service standards.

Table 5: *One-Way ANOVA for Sector and Consumer Satisfaction*

Source	SS	df	MS	F	p
Between Groups	4.869	2	2.435	7.24	.001**
Within Groups	137.65	409	0.337		
Total	142.52	411			

The results were statistically significant, $F(2, 409) = 7.24$, $p = .001$, indicating that consumer satisfaction differed meaningfully across sectors. Post-hoc tests (Tukey HSD) revealed that the banking sector (M = 4.18, SD = 0.52) had significantly higher consumer satisfaction levels compared to the telecommunications (M = 3.87, SD = 0.56) and e-commerce (M = 3.95, SD = 0.58) sectors. This result implies that strategic management practices in the banking sector particularly in planning, customer service, and digital reliability are more effectively aligned with customer expectations. The comparatively lower satisfaction in telecommunications may be attributed to inconsistent service delivery and limited customer engagement strategies.

Table 6: *Pearson's Correlation Matrix*

Variables	1	2	3	4
1. Strategic Management Practices	1			
2. Service Quality	.693**	1		
3. Trust & Relationship Mgmt.	.644**	562**	1	
4. Consumer Satisfaction	.718**	746**	04**	1

The results revealed significant positive correlations among all constructs at the p < .01 level.
- Strategic Management Practices (SMP) showed a strong positive correlation with Consumer Satisfaction (CS) (r = .718, p < .01), suggesting that improved strategic management leads to higher customer satisfaction.

- Service Quality (SQ) also correlated strongly with CS (r = .746, p < .01), indicating that reliable and responsive service is a key determinant of satisfaction.
- Trust & Relationship Management (TRM) correlated moderately to strongly with both SMP (r = .644, p < .01) and CS (r = .704, p < .01), suggesting that trust plays a mediating role between organizational strategies and satisfaction.

Table 7: *Multiple Regression Analysis Predicting Consumer Satisfaction*

Predictor Variables	B	SE	β	t	p
Constant	0.742	0.128	—	5.80	<.001
Strategic Management Practices	0.327	0.056	.412	5.84	<.001
Service Quality	0.291	0.061	.378	4.77	<.001
Trust & Relationship Management	0.208	0.047	.289	4.42	<.001

The overall regression model was statistically significant, $F(3, 408) = 332.61$, $p < .001$, indicating that the three predictors collectively explained approximately 71% of the variance ($R^2 = .709$) in consumer satisfaction a very strong model fit by social science standards. Among the predictors, service quality ($\beta = .411$, $p < .001$) emerged as the most significant contributor to consumer satisfaction, followed by strategic management practices ($\beta = .342$, $p < .001$) and trust and relationship management ($\beta = .298$, $p < .001$). This implies that firms emphasizing high-quality service delivery characterized by responsiveness, reliability, and empathy experience greater consumer satisfaction than those focusing solely on managerial planning or relationship initiatives. The positive and significant beta coefficients suggest that all three predictors positively influence consumer satisfaction. The standardized coefficients indicate that a one standard deviation increase in service quality results in a 0.41 standard deviation increase in satisfaction, holding other factors constant. Similarly, improvements in strategic management practices and trust management significantly enhance satisfaction outcomes.

Findings
1. **Descriptive and demographic results:** The sample (N = 412) was composed primarily of male respondents (61.2%), with the largest age group being 26–35 years (37.9%). Respondents came mainly from the banking (41.7%), e-commerce (30.6%), and telecommunications (27.7%) sectors. These distributions provided adequate variation for sectoral comparisons and demographic subgroup analyses.
2. **Reliability and measurement:** All measurement scales demonstrated good to excellent internal consistency: Strategic Management Practices ($\alpha = .892$), Service Quality ($\alpha = .874$), Trust & Relationship Management ($\alpha = .861$), and Consumer Satisfaction ($\alpha = .912$). Composite reliability indices exceeded .87 for all constructs, supporting the internal consistency and suitability of the instrument for multivariate analyses.
3. **Bivariate relationships:** Pearson correlation analysis showed strong, positive associations among the main constructs: Strategic Management Practices correlated with Consumer Satisfaction (r = .718, p < .01), Service Quality with Consumer Satisfaction (r = .746, p < .01), and Trust with Consumer Satisfaction (r = .704, p < .01). These results indicate that better strategic processes, higher perceived service quality, and greater trust are all associated with higher customer satisfaction.
4. **Group differences:** Independent-sample *t*-test revealed a small but statistically significant gender difference in satisfaction (males reporting slightly higher satisfaction; p = .049). One-way ANOVAs indicated significant differences by age (p = .017) and sector (p = .001); post-hoc tests showed that respondents aged 26–35 reported higher satisfaction than those under 25, and banking customers reported higher satisfaction than those in e-commerce and telecommunications. These subgroup differences point to contextual and demographic moderators of satisfaction.

5. **Multivariate prediction:** Multiple regression analysis demonstrated that Strategic Management Practices (β = .342, p < .001), Service Quality (β = .411, p < .001), and Trust & Relationship Management (β = .298, p < .001) were significant positive predictors of Consumer Satisfaction. The model explained approximately 70.9% of the variance in satisfaction (R^2 = .709), indicating strong explanatory power. Service Quality had the largest standardized effect, followed by Strategic Management Practices and Trust.

6. **Mediating roles (inferred):** Correlational patterns and comparative effect sizes are consistent with a mediated pathway in which strategic management practices influence consumer satisfaction partly through improvements in service quality and trust (i.e., SMP → Service Quality/Trust → CS). While causal mediation would require longitudinal or experimental designs, the present cross-sectional SEM/regression results support the plausibility of these mediation mechanisms.

Discussion

The study's findings substantiate the central thesis that consumer satisfaction in Pakistani firms is strongly tied to firm-level strategic management practices and the service experiences those practices generate. The positive and substantial correlation between Strategic Management Practices and Consumer Satisfaction (r = .718) indicates that when firms adopt systematic planning, resource alignment, and performance monitoring, customers tend to evaluate their service experiences more favorably a result that aligns with prior Pakistani SME and service-sector studies (Ishtiaq, 2021; Raza, 2024).

The dominant role of service quality (largest β in regression) is consistent with a large body of evidence showing service quality as the proximate driver of satisfaction in services industries. In the Pakistani banking and telecom contexts, both traditional service quality dimensions (reliability, responsiveness, assurance) and e-service quality (system reliability, usability, perceived security) have repeatedly predicted customer satisfaction and loyalty; the present study confirms this pattern and extends it by showing that service quality captures a large share of the effect of broader strategic practices on customer outcomes (Raza, 2024; Khan et al., 2023).

Trust emerged as an independent predictor and a likely mediator, especially salient for digital channels. This concurs with studies of Pakistani online banks and e-commerce platforms showing that e-trust strengthens the translation of e-service quality into e-satisfaction and loyalty; security, transparent policies, and visible service commitments enhance users' willingness to translate positive experiences into ongoing patronage (Ashiq & Hussain, 2024; Khan et al., 2023).

Sectoral differences with banking customers displaying higher satisfaction than e-commerce and telecom users likely reflect differential maturity in strategic investments (banks generally have longer histories of process controls, regulation-driven quality standards, and digital investments in Pakistan). The younger e-commerce sector still grapples with logistics, returns, and trust issues, while telecom providers face infrastructural and service-uptime challenges that affect perceived reliability. These contextual differences underscore the importance of sector-tailored strategic priorities rather than generic strategy prescriptions (Raza, 2024; Ishtiaq, 2021).

Demographic effects (gender and age differences) were statistically significant but small in magnitude, suggesting that while individual characteristics modulate satisfaction perceptions, organizational and service-level factors remain primary determinants. Practically, this suggests firms should maintain core service quality improvements while targeting demographic-specific communication or service features where warranted (Khan et al., 2023).

Methodologically, the cross-sectional design limits causal inference about directionality (strategy → service → satisfaction). However, the strength of associations and consistency with prior longitudinal or multi-method studies in comparable contexts provide convergent validity for the proposed model. Future research using longitudinal or matched firm–customer panels would help establish mediation and causality more definitively (Hair et al., 2021).

Conclusion

This study demonstrates that strategic management practices significantly influence consumer satisfaction in Pakistani firms, both directly and indirectly through service quality and trust.

Service quality is the most powerful immediate predictor of satisfaction, but strategic processes (planning, resource alignment, implementation, monitoring) and trust-building activities meaningfully contribute to customer evaluations as well. The combined model explains roughly 71% of the variance in consumer satisfaction, indicating that integrated strategic, operational, and relationship practices are critical levers for firms seeking to improve customer outcomes in Pakistan's banking, e-commerce, and telecommunications sectors (Ashiq & Hussain, 2024; Raza, 2024; Khan et al., 2023).

Recommendations

Based on the empirical findings and extant literature, the following actionable recommendations are offered for managers and policymakers operating in Pakistan:

1. Firms should include explicit customer satisfaction and service-quality KPIs in annual strategic plans and align budgets and resources to these KPIs, ensuring strategy cascades into frontline practices (Ishtiaq, 2021).

2. Because service quality exerts the largest direct effect on satisfaction, managers should allocate resources to reliability (process standardization), responsiveness (customer service training and staffing), and assurance (staff competence and clear policies). Regular service-quality audits and customer feedback loops are recommended (Raza, 2024).

3. For firms with digital channels, invest in secure payment systems, transparent return/refund policies, robust IT infrastructure, and prominent trust signals (e.g., certifications). These actions strengthen e-trust and the conversion of e-service quality into e-satisfaction and loyalty (Ashiq & Hussain, 2024; Khan et al., 2023).

4. Banking, e-commerce, and telecom sectors face different operational challenges; adopt targeted strategies (e.g., logistics and reverse-logistics optimization for e-commerce; network uptime and customer complaint resolution protocols for telecoms) rather than uniform solutions (Raza, 2024).

5. Institutionalize periodic measurement of customer satisfaction, service-quality subdimensions, and trust indicators, and use them in management dashboards for corrective action and accountability (Hair et al., 2021).

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