A Study of Customer Satisfaction with Service Delivery of Mobile Telecommunication Services: The Case of Addis Ababa

Yonas Wodajo Bekele

Department of Marketing Management, University of Gondar, Ethiopia

Abstract: **The core purpose of this study is to assess and analyze customer satisfaction with service delivery of mobile telecommunication service within Addis Ababa, Ethiopia. The statement problem of this study is mainly rotates on customers are satisfied or dissatisfied with service delivery of ethio-telecom with regarding on mobile telecommunication service. The study is basically a survey those both qualitative and quantitative approaches. A structured questionnaire was developed, pre-test and personally administered to the target population of individual mobile subscribers. In this study, self-administered and structured questionnaire used to collect data from respondents. Since this research is about the study of customer satisfaction with service delivery of ethio-telecom, to describe or portray a reality regarding customer satisfaction with service quality to better understanding those service quality dimensions that customers are satisfied or dissatisfied with, so this has necessitated a descriptive research design has undertaken for a research. This research used convenience sampling technique from non-probability sampling techniques. Totally 300 respondents was selected as a sample. The major limitation is using a large sample and different cities in this survey require financial resources and time, which was not afford. The descriptive statistics: frequencies statistics, mean, standard deviation and one sample t-test has applied to assess the level of customer satisfaction with the relationship between the mobile services attributes and customer satisfaction, and also Statistical Package for Social Science (SPSS)version 20 has used. Generally, customers are not satisfied with service quality delivered by ethio-telecom in Ethiopia regarding on mobile service or that their satisfaction is considered too low, but customer satisfaction is better than expected and at least equal to expectation on some service quality dimension items.**

Keywords: **Customer Expectations, Customer Needs, Customer Satisfaction, Customer Services, Customer Values, Mobile Telecommunication, Perceived Value, Service Quality.**

1. INTRODUCTION

The Global System of Mobile Communications (GSM) is a digital technology with a worldwide acceptance and plays an important role in the socioeconomic development of countries (Samuel. E., 2006). Thus, several management experts have paid research attention to this industry (this study mainly concerns on the customer satisfaction). Customer satisfaction is the assessment of the performance of a product or service by customers and this concept is important for successful business performance. African countries are actively involved in the establishment of the mobile services and specifically, Ethiopia is the focus of this study.

In Ethiopia mobile phone service introduced in 1991 E.C by 36,000 lines, but now has shown dramatic change on coverage and in subscribers' number has scored 18 million lines. And also, currently ethio-telecom has the potential to provide 23 million lines (ethio-telecom, 2012). Mobile phone operators provide voice service and value added services including SMS (short message service), MMS (multimedia message service), ringtone, games, electronic transaction, and

web browsing etc. The improvement of service quality is the key source of success in the business and competitive advantage. Besides, voice services proving value added services are becoming great prospect for mobile phone service providers (Kim.H, 2000).

Studies conducted to explore factors affecting satisfaction, loyalty and retention in mobile telecommunications industry include: Gerpott et al. (2001) investigated customer satisfaction, loyalty and retention in the German mobile telecommunications among 684 respondents and reported that customer retention cannot be equated with customer loyalty and/or customer satisfaction, rather a two-stage causal link can be assumed in which customer satisfaction drives customer loyalty which in turn has impacts on customer retention. However, these three factors are important for superior economic success among telecommunication service providers.

Organizations, both private and public, in today's dynamic market place and market space are increasingly leaving very old marketing philosophies and strategies to the adoption of more customer-driven initiatives that seek to understand, attract, retain and build intimate long term relationship with profitable customers (kotler, 2006; Gronroos, C 1994). This pattern shift has positively led to the growing interest in customer relationship management initiatives that aim at ensuring customer identification and interaction, customization and personalization that completely lead to customer satisfaction retention, and profitability (Gronroos et al., 1996).

Customer satisfaction is an evaluation by the customers, after buying their goods and service (Oliver 1997). Customer satisfaction can result from any dimension (whether or not its quality related) and its judgment may arise from non-quality issues (needs, wants, perceptions, price fairness and require experience with the service or provider (Al-hashashl.K, 2008).

In today's highly competitive, offer personalized/individualization and differentiating services, price fairness, can be critical and imperative to success. Currently the only mobile telecommunication network service provider, ethio-telecom is providing various services; however, it is not sufficient and better than the other African countries. In Ethiopia, Still there is no any kind of competition in the industry, due to the market monopoly system of the country. This single organization is continually improving up the quality of its service delivery, but variety and personalized services to customers' are under question. Satisfied customers are the source of all profits and shareholders' value. Customer can choose from whom they buy, and unless the firm satisfies them at least as well as competitors, sales and profits will quickly erode. Customer satisfaction should therefore be a prime objective and measure of the performance of managers (Wilson.R and Colin,G 2005).

Previous studies on mobile telecommunication services measured services quality by call quality, pricing structure, mobile devices, value-added services, convenience in procedures, and customer support (Gerpott et al., 2001). Customers determine satisfaction level of any purchased service by the perceptions of quality received. Customer satisfaction assessment captures service quality and in this study, to measure service quality of mobile telecommunication services, different mobile service attributes used to assess customer satisfaction.

Therefore, the researcher is motivated to know and understand the level of customer satisfaction, because currently mobile phone is one of the critical instrument and issue to everyone and it is known that telecommunication sector is one of the pillars to country development to possess different services

2. PROBLEM STATEMENT

Customer satisfaction and customer services are found having positive relationship. Now a day's relational marketing is considered very important on the realization of the fact that customer satisfaction is quite essential for the lasting relationship between service organization and customer. As in telecommunication service industry a special care should take place to develop good relationship (Oliver, 1999). Customer service is a system of activities that comprises customer support systems, complaint processing, speed of complaint processing, ease of reporting complaint and friendliness when reporting complaint (Hanif.M., 2010).

The telecommunication services in Ethiopia have made rapid stride both in quality and quantity. However, the user at large are found question with quality of the services made available to them. The process of technological sophistication has gained the momentum but the users are yet to get the quality of service (Tele Negarit, 2007). The poor sector management coupled with the lack of capital has resulted in Ethiopia having one of the lowest teledensities in the sub-Saharan region of a 0.5%.

There are many complaints from customers about the service delivery of the mobile telecommunication network provider, in Ethiopia. Evidently, the growth trend in the mobile telecom industry in Ethiopia does not provide empirical support for the claim that customers are satisfied with the service delivery of the mobile telecommunication network in Ethiopia.

According to ICT indicators, 2008; the goal of the government of Ethiopia is on the development and investments of mobile telecommunication network in Ethiopia have only partly been met-especially with respect to the development in rural areas and the quality still low has deteriorated on some indicators. Since the past years, the industry has shown some kind of improvement or increase in subscribers' growth rate. This trend could not attribute to quality service and customer satisfaction, but seems a success story to the industry.

However, the literature indicates that quality is a major determinant of satisfaction and has a positive relationship with satisfaction in both the short and long run (Oliver, 1997). Quality judgments should be based on consumer feedback and not on manufacturers' beliefs about product/service quality (Almossawi,M. M, 2012).

In view of the above, the main issue of this study rotated or revolved on; Are customers satisfied/dissatisfied with the service quality delivered by ethio-telecom.

From the above problem statement, the study seeks to answer the following specific research questions;

1. How can customer satisfaction with service quality be described in Ethiopia customer's mobile telecom service?

2. Which dimensions of service quality are customers satisfied or dissatisfied with in Ethiopia's mobile telecommunication service?

3. Which dimensions of service quality are important to customers of mobile telecommunication service in Ethiopia?

The general objective of this study is tried to assess and analyze the level of customer satisfaction with service delivered by ethio-telecom.

The specific objectives are:

- To measure and describe customer satisfaction with dimensions of service quality in mobile telecommunication service in Ethiopia.

- To identify dimensions of service quality in the context of mobile telecommunication service with in Ethiopia.

- To prioritize dimensions of service quality in the context of mobile telecommunication service with in Ethiopia.

The study has greatly significant in diverse ways to business/marketing practitioner, policy makers, customers and others.

To the management of ethio-telecom, that will report in this study will provide a more reliable scientific measures and perspective for describing and evaluating the level of its customer satisfaction with the services delivery and particularly those in service industry provides the feedback of how successful an organization is at providing product and/or service to the satisfaction of customers at the market place and market space.

3. RESEARCH METHODOLOGY

3.1 Research Design:

This study has significant combination of descriptive and exploratory design. Firstly, since this study is about the study of customer satisfaction with service delivery of ethio-telecom regarding on mobile service, to describe or portray a reality regarding customer satisfaction with service quality to better understanding those service quality dimensions that customers are satisfied or dissatisfied with, so this has necessitated a descriptive research design has undertaken for a research and Secondly, this study is to explore the relative importance of service quality dimensions in Ethiopia's mobile telecom market, therefore it is exploratory. As a part of research method, both quantitative and qualitative method has used with an intention to gather enormous consumer's responses towards service delivery of ethio-telecom regarding on mobile phone service.

3.2 Sample Size:

The sample size 300 customers selected based on the issues like willingness and the time allotted by the respondents for the collection of information. Data was collected at various areas of Addis Ababa city including all ten sub cities. Using a large sample and different cities in this survey required financial resources and time, which was not afford.

3.3 Sampling Technique:

In this research, it is not possible to recognize every people in Ethiopia, thus the research was applying convenience/specimen sampling from non-probability sampling techniques. The reasons behind selecting such techniques were;

❖ Convenient to use.

❖ Less time consuming.

❖ Bears low cost.

3.4 Method of data collection:

The questionnaire type which the researcher used structured questionnaire, this types of questionnaire selected to involve a high number of close ended questions and less number of open ended questions. The questionnaire was constructed entirely in Amharic and English version. For the study, online articles, directories of company, journals and books has used as a secondary sources.

3.5 Tools for Data Analysis:

After the information and row data gathered from different sources, analysis and processing of data has used in a simplest and meaningful manner. Thus descriptive data analysis were including by using percentage distribution, tabulation, figure (pie chart, histograms). And the collected data analyzed through the Statistical Package for Social Science (SPSS) by latest version 20. One sample T-Test: this is a statistical procedure that tests weather a single variable deviates from a specified constant or a cutoff point. The cutoff point may be a known population mean.

4. DISCUSSIONS

4.1 Statistical Results of Disconfirmation Measures and Overall Customer Satisfaction Measure:

Customers were asked to rate their satisfaction with service quality using desire disconfirmation (DD), expectation disconfirmation (ED) measures and overall satisfaction (OCS) measures. The ED measure had a five-point likert scale: "much worse than expected", "worse than expected", "equal to expectation", "better than expected", and "much better than expected". The scale for DD measure was also five-point likert scale from" much worse than desired" to "much better than desired". OCS measure used a five-point likert scale; "very dissatisfied", "dissatisfied", "neutral", "satisfied", and "very satisfied".

The following table shows a descriptive statistics of the three measures; ED, DD and OCS.

Table 4.1.1 Descriptive Statistic of Satisfaction Measures

	N	Mean	Std. Deviation	Variance
Desire	300	2.38	.756	.571
Expectation	300	2.23	1.027	1.056
Overall	300	2.26	.780	.608
Valid N (list wise)	300			

Table 4.1.1 indicates that the mean rating of customer satisfaction using DD measure is 2.38 with standard deviation of 0.756 while using ED measure, the mean is 2.23 with standard deviation of 1.027 being the highest. Using OCS, the mean rating was 2.26 with standard deviation of 0.780. This means that the mean rating of customers using ED, DD and OCS were all below their desire cut of point of three (3), and but ED has a wider deviation than the other DD and OCS measures.

A summary of the results of customer satisfaction rating regarding on DD, ED and OCS is presented in Figure 4.1.1 below.
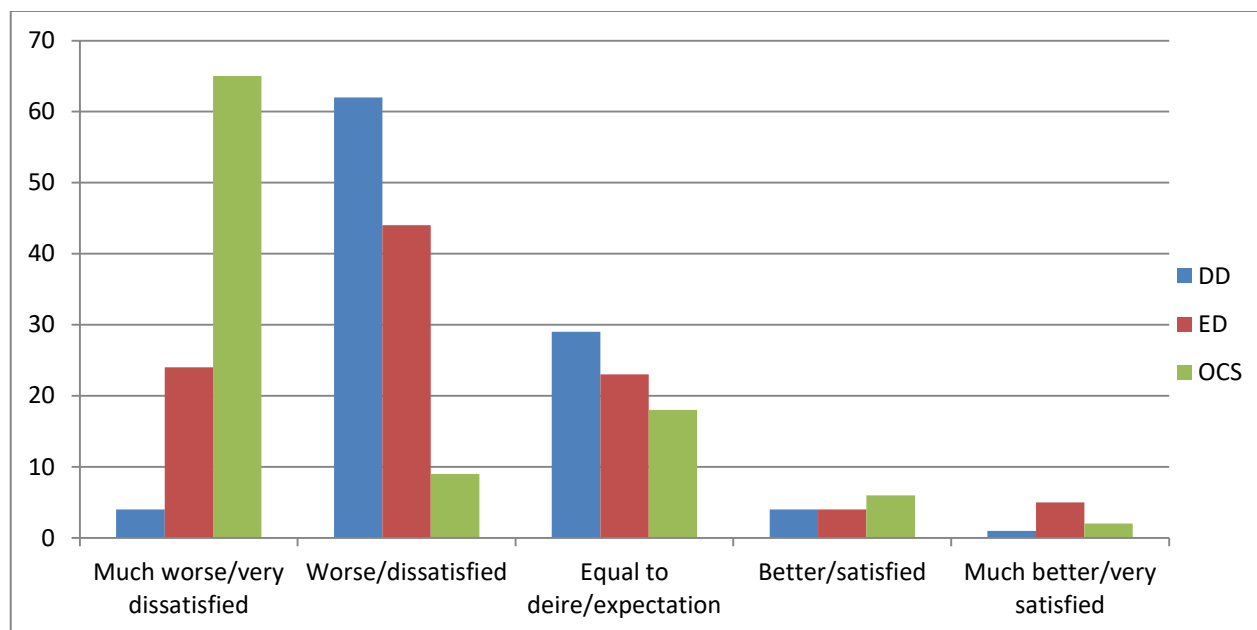
ISSN 2349-7807

International Journal of Recent Research in Commerce Economics and Management (IJRRCEM)
Vol. 5, Issue 1, pp: (37-43), Month: January - March 2018, Available at: www.paperpublications.org

Figure 4.1.1 Satisfaction rating regarding on DD, ED and OCS

It indicates that using DD measure, 62 % of the respondents rated their satisfaction as worse than desired, 29 % of the respondents rated their satisfaction as equal to their desire, 4 % of the respondents rated as much worse than desired and much better than desired for each, and the least one is 1% of the respondents rated their satisfaction as better than desired.

Then using ED while 24 % and 44 % of the respondents rated their satisfaction as much worse than expected and worse than expected respectively, 23 % of the respondents rated their satisfaction as equal to expected, and 9 % (4% and 5 %) of respondents rated their satisfaction as better and much better than expected. Finally, using OCS measure, 65 % and 9 % of the respondents rated that overall they were dissatisfied and very dissatisfied respectively, 18 % of the respondents as neither and 6 % and 2 % representing 8% rated their satisfaction as satisfied and very satisfied respectively.

4.2 Importance of SERVQUAL Dimensions:

Customers were asked to rate the importance of service quality dimensions on the five-point likert scale: "not- at- all-important"," unimportant", "and important", and "very important". A summary of descriptive statistics is present in table 1. It indicates that six (6) dimensions had a mean above 4 while two (2) had below 4.

Table 4.2.1 Summary descriptive statistics of important SERVQUAL dimensions.

	N	Mean	Std. Deviation	Variance
Dimensions	Statistics	Statistics	Statistics	Statistics
Tangibles	300	3.18	1.053	1.109
Reliability	300	4.11	.761	.580
Assurance	300	4.03	.964	.929
Responsiveness	300	4.06	.914	.835
Empathy	300	4.42	.938	.880
Economy	300	4.66	.920	.846
Technical quality	300	4.74	.920	.847
Image	300	3.24	.976	.952
Valid N (list wise)	300			

The above table indicates that, all the dimensions are significant. Notably, tangibles" and image are significantly unimportant to customers in receiving or using the services of a mobile network in Ethiopia, it had negative mean difference and confidence intervals. Conversely, the following six dimensions of service quality had positive mean difference and confidence intervals, and so were rated as important to customers; Assurance, Responsible, Empathy, Reliability, Economy, Technical quality, and Image.

5. CONCLUSION AND IMPLICATIONS

It has been found in this study that generally customer satisfaction with service quality with regarding on mobile service is too low or less than expected and desired. This implies that policy makers need to be awakened to this empirical fact and take logical steps to insure that mobile service in Ethiopia improve their efficiency and effectiveness in the provision of telecommunication services that meet and exceed customer need, desire and expectation.

This can be done by sensitizing and encouraging ethio-telecom to focus more attention and resources on more important service quality dimensions for which customers are not satisfied and to focus little attention on unimportant and less important dimensions.

For important SERVQUAL dimensions customers are totally dissatisfied, strategies management efforts are need to make significant improvement in the service quality. This would require a total transformation in operational efficiency of the mobile service to achieve customer satisfaction in the following SERVQUAL dimension items that the customers' are totally dissatisfied, specifically in areas like:

❖ Providing adequate network coverage

❖ Network quality: clarity and speed for calls and other services

❖ Innovativeness ability to use current technology to improve services

❖ Having operating hours convenient to all customers

❖ Having sound loyalty program to recognize frequent customers

❖ Giving individual customers attention by employees

Moreover, the service quality should be improved by making the services more economical so that customers can afford and have better value for their money or sacrifices made for using the mobile network services. By parking this, the service quality and therefore customer satisfaction would be the improved in the "Economy" dimension for which generally customers are significantly dissatisfied in area like:

❖ How economical the use of services is in terms of ; the call charge per minute/second, and

❖ How economical the use of services is in terms of cost of reloading cards and their denominations.

Furthermore, "Assurance" service quality, management should develop strategies to improve up on the "ability to provide variety of value added services-music, access to internet, SMS, and" sincerity and patience in resolving customers' complaints/problems.

REFERENCES

[1] Adjei Boadi R. and Gause Shaike A., (2006) M-Commerce breakthrough in developing countries; "The role of M-Commerce in wealth creation and economic growth in developing countries", Thesis; Lulea University of Technology Publication.

[2] African Telecommunication/ICT indicators 2008; International Telecommunication Union, issue 8.

[3] Fisk, R.P. and Young, C.E. (1985) – "Disconfirmation of equity expectations; effects on consumer satisfaction with services", in Hirschman, E. and Holbrook, H., Advances in Consumer Research, Association for Consumer Research.

[4] Gerpott T, Rams W. and Schindler A, (2001) "Customer retention, loyalty and satisfaction in the German mobile telecommunication market policy", vol 25, No. 4, pp 247-269.

[5] Gronroos C. (1984) – "A service quality model and its marketing implications", European journal of marketing, vol. 18, No. 4, pp 36-44.

[6] Porter L.W. (1991) – "A study of perceived need satisfaction in bottom and middle management jobs", journal of applied Psychology, vol. 45, pp. 1-10.

[7] Spreng R.A and Mackov R, (1996) – "An empirical examination of a model of perceived service quality and satisfaction", journal of Retailing, 72(2).

[8] Tele Negarit, "Birds Eye View of the Ethiopian telecommunication corporation in the past millennium", vol.44, No.1, pp.40-43.

[9] Tse D.K. and Wilton P.C. "Models of consumer satisfaction formation"; An Extension Journal of consumer research; vol 25, No.4, pp.204-212.