



ISSN NO. 2320-5407

Journal homepage: <http://www.journalijar.com>
Journal DOI: [10.21474/IJAR01](https://doi.org/10.21474/IJAR01)

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**INTERNATIONAL JOURNAL
 OF ADVANCED RESEARCH**

RESEARCH ARTICLE

Impact of Perceived Service Quality by Mobile Telecommunication Industry on Customer Satisfaction in Nigeria.

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Manuscript Info

Manuscript History:

Received: 19 February 2016
 Final Accepted: 26 March 2016
 Published Online: April 2016

Key words:

Service Quality; Customer Satisfaction; Mobile Telecommunication Industry.

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Abstract

Since the advent of Mobile Telecommunication services in Nigeria there has been complains from all angles on the quality of services being provided by telecommunication industry. The study assessed the impact of perceived service quality by Mobile Telecommunication industry on customer satisfaction in Nigeria. The study examine all the major mobile Telecommunication companies in Nigeria: MTN Nigeria; Globacom limited; Airtel Nigeria limited and EMTS limited known as Etisalat. Questioner was used as instrument for data collection. The analysis was done using simple percentages and Minnesota Customer Satisfaction Model (MnCSI) to assess the impact of service quality on customer satisfaction in telecommunication industry. The result from the analysis revealed that the service quality delivery by mobile telecommunication industry in Nigerian is low and not equal to or better than desired or expectation, as the subscribers are not satisfied with the availability of the desired service as well as the customer service of network service providers. Based on the findings of this study it was recommended that the mobile telecommunication companies should provide excellent and desired service for consumption by improving on the quality of service rendered to their customers to ensure customer satisfaction.

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Introduction:-

Customer satisfaction is central to the customer-centric paradigm shift, also, has increased much consideration from researchers and experts as it has gotten to be one of the cardinal means for accomplishing quality change projects, and one of the urgent foci of strategic marketing management in business organizations that have long haul point of view for development. This is because of the intriguing findings that satisfied customers are more likely to remain loyal to the organization which in the end prompts benefits as opined by the famous service-profit-chain proponents (Heskett, Sasser, & Schlesinger, 1997).

Numerous organizations no more utilize just client gripes; rather they receive thorough subjective and quantitative components to gauge consumer loyalty. In such manner, measuring consumer loyalty gives the input of how effective an organization is at giving product or services as per the general inclination of clients at the marketplace. This makes it basic for organizations to make down to business and solid strides towards enhancing the nature of service delivery, managing customer value and satisfaction more effectively, particularly in the telecom business where all the service providers are not in physical contact with every one of their clients

The Global System of Mobile Communications (GSM) is a second-generation digital technology, which was originally developed in Europe and in less than ten years after the commercial launch, it developed into world's leading and fastest growing mobile standard (GSM Association, 2006). Gerpott, Rams and Schindler (2001) wrote that since 1990s, the telecommunications sector has turned into a vital key in the advancement of the economy of developed nations. This results from the de-regulation of the industry (removal of monopoly rights, especially

enjoyed by state-owned telecommunication company), and increasing number of mobile service providers, enormous technical development and intense market competition. The increasing economic importance and benefits of telecommunications firms motivated many management scholars (especially marketing experts) to devote attention to this sector. Wilfert (1999) pointed out that marketing strategies are vital in telecommunications services in light of the fact that once customer have subscribed to a specific network, their long-term link with this provider is of more important to the accomplishment of the organization than they are in other industry. Thus, network providers need to shape a nonstop lasting relationship with their customers to know them better and fulfill their needs sufficiently.

According to the GSM Association, the GSM technology is utilized by more than one out of five individuals of the world's populace, speaking to roughly 77% of the world's cell market and is estimate to represent 73% of the world's digital market and 72% of the world's wireless market (GSM Association, 2006). This growth principally results from the establishment of new telecommunication companies in developing countries. African countries especially Ghana, Ethiopia, South Africa and Nigeria among others are actively involved in the establishment of the mobile telecommunication services.

Nigeria is a country with a huge investment in telecommunication industry with a quite number of service providers and millions of subscribers. There is a need to make similar research in Nigeria. The country, in 1992 introduces its first mobile phone services, through the joint venture between Nigerian Telecommunication Services (NITEL) and Digital Subscriber Line (DSL) of Canada to form Mobile Telecommunications Service (MTS) (Ndukwe, 2005). In January 2001, the regulatory body Nigerian communication commission (NCC), modernized and extended the mobile telecommunications by given GSM permit to three network providers; MTN Nigeria, Econet Wireless (change to Vmobile, to Celtel, to Zain and now Airtel), and the first national carrier, NITEL (initially MTS, privatized to form Mtel). In 2002, the second national carrier, Globacom was likewise given permit to start operation. Ndukwe (2005) reported that between 1998 and 2000, the number of mobile lines was 35,000 but increase to more than 11 million as of March 2005, with the increasing rate of more than a million lines every year since 2002. This deciphered an increment from the aggregate thickness of 0.4 lines for each 100 occupants in 1998 to 9.47 lines for each 100 tenants right now (Ndukwe 2005). In light of the yearly growth rate of the subscribers, and expanding density, Nigeria is one of the quickest developing telecoms market in Africa (Hoff, 2006).

Notwithstanding, The telecommunication industry in Nigeria has witnessed organizational inadequacies arising from the inadequate infrastructures couple with unstable power supply and high cost of materials which are having direct bearing on their operations and hampering the successful attainment of organizational goals, which lead to customers complain on the service quality that prompt research in to the field. The regulatory body has outlined goals to be achieved by GSM operators but have only been partly met especially with respect to the transmission of mobile communication services in rural areas, and the quality of service. The internal and external environmental factors have also pose as a challenge to both mobile telecommunication services and customer satisfaction in Nigeria. These include poor service quality, lack of wide coverage and exploitative tendency of mobile telecommunication networks through excessive billing and inconsistent charges resulting to series of customer complaints and general dissatisfaction. Based on the preceding discussion the main objective of this study is to assess the impact of perceived service delivery of mobile telecommunication industry on customer satisfaction in Nigeria.

Literature Review:-

Concept of Service Quality:-

Service quality has been a hard to-characterize concept that has stirred extensive interest and debate in the literature. This is on account of the significance of value can be alluded to in numerous characteristics, for example, the experience of the service encounters, or "moments of truth", the confirmation of service; image; value, accessibility etc. These frame the customer's general impression of quality, fulfillment and esteem (Zeithaml and Bitner, 2003). There are various distinctive definitions with reference to what is implied by service quality. It is fundamentally characterized from customer's viewpoint and not the manufacturer's; it is typically alluded to as customer's perceived quality. It was initially characterized by Gronroos (1984) as the affirmation (or disconfirmation) of a consumer's expectations of service contrasted and the customers' perception of the service actually received. One definition that is normally utilized is that one that refers to the degree to which services lives up to customers' needs or desires (Asubonteng, McCleary and Swan, 1996).

Concept of Customer Satisfaction:-

Consumer satisfaction is a term that has gotten much consideration and interest among researchers and experts due to its significance as a key component of business system, and objective for all business exercises particularly in today's competitive market (Anderson et al, 1994). It is therefore important to understand this terminology in detail as conceptualized in this study. Some of the definitions given by scholars for customer satisfaction are as follows: Consumer satisfaction is a consumer's post-buy assessment and full of feeling reaction to the general product/service encounter (Oliver, 1997); also, Bruhn (2003) characterized consumer satisfaction as an ordeal based appraisal made by the customer of how far his own assumptions about the individual attributes or the general usefulness of the services got from the supplier have been satisfied. Fulfillment is likewise alludes to a man's sentiment joy or disillusionment resulting from contrasting a product's performance in connection to his or her desire (Kotler and Kevin 2006).

Admittedly, satisfaction itself is a complex concept and difficult to universally define and accurately measure. This is supported by Oliver (1997) when he states that everyone knows what satisfaction is until asked to give a definition. Then it seems, nobody knows. However, critical reviews from marketing perspectives of definitions of customer satisfaction given by many scholars and practitioners bring to lime-light several relevant dimensions of the concept as satisfaction to quality of a product or service offering and to other non-quality dimensions (on-going business relationship; price-performance; time or service delivery; service experience; service context and satisfaction with entire reputation and outlook of an organization).

From the above review we give an operational definition of customer satisfaction as conceptualized for this study as the procedure for customer overall subjective assessment of the service quality against customer expectation or desires over a period of time.

In determining customer satisfaction various approaches have been suggested as effective but a meaning choice of any is contingent on several factors. customer satisfaction determination can be approached from three broad types of methods: Observational methods (observational studies and experimental studies), database methods (analysis of track record of customer purchase behaviour and re-purchase history), and subjective methods (questionnaire and interviews). In this study our conceptual framework approaches customer satisfaction determination by the use of subjective methods – questionnaire due to the difficulty in accessing the database of companies used in this study. The use of mystery shopping and other observational methods was not feasible. Finally, it was because we wanted to remain neutral to the companies concerned in studying customer satisfaction for the four mobile telecom networks in Nigeria

Service Quality and Customer Satisfaction:-

Based on the preceding review a lot of factors that drive customer satisfaction is been examined in order to have clear understanding of the concept. In the work of many scholars and practitioners, Customer satisfaction is found to be driven by the quality of service and the customers' service experiences. A service experience is characterized as the benefit that makes the customers' psychological, passionate and behavioral responses which bring about a mental stamp in a memory (Gronroos 2001). It is generally accepted by most scholars that service quality basically relates to what the customer perceives of the product/service performance. Recent empirical studies have shown that customer satisfaction is not only driven by cognitive dimensions of customer perceptions of service quality but also by affective dimensions which have positive impact on post-purchase behavior like repeated purchase, customers loyalty, switching intention, and likelihood to recommend (Oliver & Westbrook, 1993). This is consistent with the work of Gronroos and Edvardsson, (Gronroos 2001; Edvardsson, 2005), who postulate that perceived service quality is an imperative determinant of customer satisfaction and loyalty that have both cognitive and affective dimension. They further maintain that perceived quality is formed by customers during their ongoing interactions with product/service providers. This is realized when customers are factored in as co-producers and involved in the process of production, delivery and consumption of service/products.

With regards to Nigerian telecom industry, the relationship between customer service and customer retention in the communication industry is a positive one (Ojo, 2010; Oyeniyi & Abiodun, 2008). Their findings show strong support for the application of customer service to enhance customer retention. In addition, Olatokun and Nwonne (2012) evaluated the Determinants of Users' Choice of Mobile Service Providers in the Nigerian Telecommunications Market using Ibadan, a Nigerian municipality as a case study. The study shows empirical

evidence that call rate remains the most significant of the factors considered in users' perception when selecting a service provider as brand image is the least favored. The study focus more on call rate as a factor for customer's choice of mobile telecommunication services provider without dwelling on service coverage and after sales service among others as link toward customer's satisfaction in the telecommunication industry.

Underpinning Theory:-

Greater part of theories and models maintain the perspective of assessing service quality by contrasting their service quality desire and their view of service quality they have encountered. Dis-confirmation underpinned this study as it explained the main variable of interest. It propose that consumer loyalty/disappointment is the divergence that exist between the performance of a product or service and some intellectual or enthusiastic principles of the customer. Oliver (1980) was the first to propose and built up the expectancy disconfirmation theory. It has been tried and affirmed in a number of studies (Satari, 2007). It clarify that customers compare the perception of performance after consumption against there expectation. Whenever result become equivalent to desires, confirmation happens. Negative disconfirmation happens when performance of product or services is below the anticipated and positive disconfirmation happens when product or services performance is superior to that anticipated.

In the mobile telecommunication market, the four major mobile telecommunication companies in their attempt to capture more customers make lots of promotional campaigns about their services. These shape and raise customer expectations and influence customers' desire for ideal services.

Research Methodology:-

Individual customers are the unit of analysis, data was collected through primary source using questionnaire from the sample of 400 customers of mobile telecommunication network as determine by Yamane's formula from the total population. To avoid under or over representative of one or more segment in the sample the research adopted proportionate sampling (variant of simple stratified sampling). This is because the telecommunication industry in Nigeria has companies with different total number of subscribers. The research takes each of the four (4) major mobile telecom networks (Globacom Limited, Airtel Nigerian Limited, MTN Nigeria communication and EMTS Limited Known as Etisalat) as a stratum. The total sample of each stratum is according to the percentage of each in the entire industry. The data collected was analyzed using inferential statistical techniques such as table and percentages and Minnesota Customer Satisfaction Model (MnCSI).

Results and Findings:-

The researcher distributed four hundred (400) copies of questionnaire, out of which three hundred and seventy four (374) were returned answered; seven (7) were returned unanswered and nineteen (19) were not traceable. Therefore, the total number of respondent is three hundred and seventy four (374). Below is the tabular representation of the respondents of the returned questionnaires:

Table 1: Respondent Major Network					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	MTN	171	45.7	45.7	45.7
	Glo	82	21.9	21.9	67.6
	Airtel	74	19.8	19.8	87.4
	Etisalat	47	12.6	12.6	100.0
	Total	374	100.0	100.0	

Source: Field survey, 2016

Table 1 show the respondent's major network. 45.7% are using MTN, 21.9% are using Glo, 19.8% are using Airtel and 12.6% are using Etisalat. These indicate the proportionate share of the telecommunication companies in the industry.

	Frequency	Percent	Valid Percent	Cumulative Percent
Much worse than desired	182	48.7	48.7	48.7
Worse than desired	105	28.1	28.1	76.7
Equal to desired	72	19.3	19.3	96.0
Better than desired	15	4.0	4.0	100.0
Much better than Desired	00	0.0	0.0	
Total	374	100.0	100.0	

Source: Field survey, 2016

Table 2 shows respondents' view on how satisfied they are on the service received to ideal set of service. Only 19.3% of the respondents have the view that the mobile telecommunication service met their desire, 15% go for better than desired, 28.1% go for worse than desired. This implies that majority of the respondents are with the view that the service they receive from the telecommunication companies does not meet the ideal set of service.

	Frequency	Percent	Valid Percent	Cumulative Percent
Much worse than desired	150	40.1	40.1	40.1
Worse than desired	174	46.5	46.5	86.6
Equal to desired	45	12.0	12.0	98.7
Better than desired	05	1.3	1.3	100.0
Much better than Desired	00	0.0	0.0	
Total	374	100.0	100.0	

Source: Field survey, 2016

Table 3 shows respondents' view on how the service received met their expectations. Only 12% of the respondents have the view that the mobile telecommunication service met their expectation, 1.3% said the service is better than what they expect. 46.5% go for worse than desired and 40.1% go for much worse than desired. This implies that majority of the respondents are with the view that the service they receive from the telecommunication companies does not meet their expectation.

	Frequency	Percent	Valid Percent	Cumulative Percent
Very dissatisfied	199	53.2	53.2	53.2
Dissatisfied	106	28.3	28.3	81.6
Neither Satisfied	69	18.4	18.4	100.0
Very satisfied	00	0.0	0.0	
Total	374	100.0	100.0	

Source: Field survey, 2016

Table 4 shows respondents' view on the overall satisfaction on the service delivery mobile telecommunication companies. From the table none of the respondents show his/her satisfaction with the services of mobile telecommunication companies. 18.4% are neither satisfied nor dissatisfied. 81.6% express their dissatisfaction with 28.3% that select dissatisfied and 53.2% with very dissatisfied. This implies that majority of the respondents are with the view that the service they receive from the telecommunication companies does not meet their expectation.

Calculation of Consumer Satisfaction with the help of Minnesota Customer Satisfaction Index (MnCSI)

Satisfaction question one	Much worse than desired	Worse than desired	Equal to desired	Better than desired	Much better than Desired	Total respondent	Average
How well did the service received compared with the ideal set of service	182	105	72	15	00	374	
Response value	1	2	3	4	5		
Response total for question one	182	210	216	60	0	668	1.79

Source: Field survey, 2016

Satisfaction question two	Much worse than desired	Worse than desired	Equal to desired	Better than desired	Much better than Desired	Total respondent	Average
To what extent have your Mobile tecomunication services met your expectations	150	174	45	05	00	374	
Response value	1	2	3	4	5		
Response total for question two	150	348	135	10	0	643	1.72

Source: Field survey, 2016

Satisfaction question three	Very dissatisfied	Dissatisfied	Neither	Satisfied	Very satisfied	Total respondent	Average
How satisfied or dissatisfied you are with the service delivery of your network (Overall satisfaction)	199	106	69	00	00	374	
Response value	1	2	3	4	5		
Response total for question three	199	212	207	0	0	618	1.65

Source: Field survey, 2016

Application for the formula of MnCSI

$$= \frac{\text{Question 1} - 1}{4} \times 33.3 + \frac{\text{Question 2} - 1}{4} \times 33.3 + \frac{\text{Question 3} - 1}{4} \times 33.3$$

$$(1.79 - 1/4 \times 33.3) + (1.72 - 1/4 \times 33.3) + (1.65 - 1/4 \times 33.3) = 17.97$$

$$(6.57) + (5.99) + (5.41) = 17.97 (18)$$

The MnCSI generate a single number which varies from 0-100. A score of zero means the the customers gave the lowest possible response to all three (3) satisfaction questions. While, a score of 100 represent the highest possible response to all three (3) satisfaction questions. The calculated MnCS score of eighteen (18) indicate a very low satisfaction, which means that customers are not satisfied with service quality delivered by Mobile telecommunication industry in Nigeria. In other words the result shows that the service delivery of GSM mobile network in Nigerian telecommunication industry is low and not equal to or better than desired or expectation, as the

subscribers are not satisfied with the availability of the desired service as well as the customer service of the telecommunication companies.

Conclusion:-

Based on the analysis generally, customers are not satisfied with service quality delivered by mobile telecommunication industry in Nigeria. The result shows that the service delivery of GSM mobile network in Nigerian telecommunication industry is low and not equal to or better than desired or expectation, as the subscribers are not satisfied with the, availability of the desired service as well as the customer service of network service providers.

Recommendations:-

In the light of the findings of the study the following recommendations are given:

- i. Mobile telecommunication companies should provide excellent service by improving on the quality of service rendered to their customers for more satisfaction.
- ii. Mobile telecommunication network providers should ensure always availability of desired services for the consumption of their customers. And also extend their desired services to all the cities and rural areas including road network, by so doing the unstable customers especially those in the business class that often travels from one place to the other will be satisfied.
- iii. Nigerian government should provide enabling environment for the smooth operation of the telecommunication companies. Thus, ensuring and encouraging maximum competition in a well regulated environment. The government should reveal all decree and laws that inhibit completion and strengthen the existing statutory instrument to enhance maximum competition and performance in telecommunication industry. Government should provide and manage basic, social and economic infrastructures such as transportation network and electric power supply among others, in other to provide a favorable environment for the telecommunication companies. As this has hindered many telecommunication companies from attaining optimum and efficient levels which the service quality of the telecommunication companies in Nigeria.

Suggestion for further studies:-

This study mainly assessed the impact of perceived service quality by mobile telecommunication industry on customer satisfaction in Nigeria. It is recommended that future research should:

- i. Examine customer satisfaction with specific service areas delivered across mobile telecommunication networks such as the delivery of MMS, SMS, Internet Services, customised services etc.
- ii. Develop and verify a model of customer satisfaction for Nigerian's telecommunication industry or verify disconfirmation theories in other different industry settings.
- iii. This study was a questionnaire-based survey. It is, therefore, recommended that different methodology should be used for a similar study and compares the results.

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