Service Quality and Customer Satisfaction with Complaint Management in The Nigerian Telecommunication Industry

[1] Osayande, Festus (PhD)
Joint Universities Preliminary Examinations Board (JUPEB)
University of Benin, Benin City, Nigeria

[2] Ogunode, Philips Olatunde (PhD). [3] Adejimi, Seun Oyebola
Department of Marketing, the Federal Polytechnic, Ado-Ekiti, Ekiti State, Nigeria

ABSTRACT: *This study examined "service quality and customer satisfaction with complaint management in the Nigeria's telecommunication industry". Specifically, it aimed at finding out the extent to which customers are satisfied or dissatisfied with the quality of services provided by mobile telecommunication operators and to investigate the extent to which dissatisfied customers complain regarding the services of their mobile telecommunication providers. The research instrument (questionnaire) was administered on a total of five hundred (500) randomly selected customers of MTN, GLOBACOM, Airtel, 9mobile, and Multi-links. Data obtained were coded and analyzed using descriptive and inferential statistics such as the frequency tables, One-way Analysis of Variance (ANOVA) and the 't' test for the difference between two population means. The sampling technique used in the study was the multi-stage cluster sampling. The findings from the research revealed that the proportion of customers who are satisfied with the services provided by mobile telecommunication firms is the same as those that are dissatisfied. It was thus recommended that telecommunication service providers should take bold steps to improve on their services in order to enhance customer satisfaction as this is key to achieving growth and profitability.*

KEYWORDS: service, service quality, customer satisfaction, complaint management

INTRODUCTION

Regardless of how good an organization's service is, it is inevitable that at some time, there will be unhappy customers. That is why it is important to have a system in place to handle customer's complaints. Complaints offer businesses an opportunity to correct immediate problems. In addition, complaints frequently provide constructive ideas for improving products, adapting marketing practices, upgrading services, or modifying promotional materials and product information.

"While occasional problems with the services of an organization are, to some extent, inevitable, dissatisfied customers are not" (Berry & Parasuraman, 1991). Companies can learn to recover from mistakes. A good recovery strategy can turn angry and frustrated customers into loyal ones. Recognizing the importance of responding fairly and efficiently to customer

1

disappointment, many organizations have established effective and innovative systems for resolving consumer complaints. Companies with positive philosophy who have a reputation for their ability to manage customer's complaints and able to retain them have a competitive edge (Kessler & Sheila, 2003). Careful complaint management can save organizations unwanted cost. For example, negative publicity from dissatisfied customers could lead to loss of revenue and necessitate additional investment in advertising to attract lost customers or replace them. Complaints and complaint trends tell organization how to do its job better by alerting management to problems that need prompt attention and correction. Furthermore, they indicate long-range opportunities for product/service innovation and problem prevention.

This study is concerned with the ways in which telecommunication organizations handle complaints in order to enhance customer satisfaction and retention.

Statement of Problem
It would seem that quite a large number of customers are dissatisfied with the services provided by Nigerian telecommunication operators. This has resulted into series of complaints from these increasing numbers of dissatisfied clients. According to Adekeye, (2008), poor voice quality, frequency of drop calls and frequent congestion at peak periods have been the bane of telecommunications services in the country. These failures combine to reduce customers' satisfaction and make them unable to receive value for money.

In spite of the apparent prevalence and magnitude of this problem, there has been little or no systematic study of the phenomenon in Nigeria in order to determine the extent of customer satisfaction/dissatisfaction and how service providers in the industry strive to cope with customers' complaints.

Specifically, this research study was therefore conceived to examine the extent to which customers are satisfied or dissatisfied with the services provided by mobile telecommunication operators and to ascertain the extent to which dissatisfied customers complain regarding the services of their telecommunication operators.

LITERATURE REVIEW

Service Quality
In measuring customer satisfaction with service quality, it is significant to examine the service quality concept, its importance and the dimensions it has. Service quality has been a difficult-to-define concept that has aroused considerable interest and debate in the research literature. This is because the meaning of quality can be referred to in many attributes such as the experience of the service encounters, or "moments of truth", the evidence of service; image; price, and so on.

These form the customer's overall perceptions of quality, satisfaction and value (Zeithaml & Bitner, 1996). There are a number of different "definitions" as to what is meant by service quality. Since service quality is basically defined from customer perspective and not the manufacturer's, it is usually referred to as customer perceived quality. The concept of consumer-perceived quality (CPQ) was first defined by Gronroos in 1982 as the confirmation (or discontinuation) of a consumer's expectations of service compared with the customer's perception of the service actually received. One definition that is commonly used defines service quality as the extent to which a service meets customers' needs or expectations (Asubonteng et al., 2016). Parasuraman, Zeithaml and Berry support the same view, defining the concept of service quality as a form of attitude, related, but not equivalent to satisfaction, that results from a comparison of expectations with perceptions of performance.

Expectations are viewed as desires or wants of customers, i.e. what they feel a service provide rather than offer (Parasuraman et al., 1988). Although service quality has been perceived for a long time to be an outcome of customer cognitive assessment, recent studies confirm that service quality involves not only an outcome but emotions of customers. It is argued that "during the consumption experience, various types of emotions can be elicited, and these customer emotions convey important information on how the customer will ultimately assess the service encounter and subsequently, the overall relationship quality" (Wong, 2004).

Edvardsson (2005) maintains that customer perception of service quality is beyond cognitive assessment as it is formed during the production, delivery and consumption of services and not just at the consumption stage. This is made possible as customers play their role as co-producers by carrying out activities as well as being part of interactions influencing both process quality and outcome quality. Again on the role of service quality, Berry et al (2002) emphasize on managing the total customer experience. Therefore an emotional reaction is part of a quality and favourable experience (Cronin, 2003: Sherry. 1998). This is consistent with the findings of Mano and Oliver's (1993) on utilitarian and hedonic consumption judgments, who argue that "...satisfaction is naturally tied to cognitive judgments and to affective reactions elicited in consumption" (Mano & Oliver, 1993). Wong (2004) found that negative emotions have a stronger effect on satisfaction with quality than positive emotions.

The concept of service quality from the customer perspective, thus perceived service quality, is not a mistake simply because in the words of the guru "the consumer, of course, perceives what he or she receives as the outcome of the process in which the resources are used, i.e. the technical or outcome quality of the process. But he or she also, and often more importantly, perceives how the process itself functions, i.e., the functional or process quality dimension. Thus, the technical quality and functional quality dimensions of perceived service quality emerge." (Gronroos, 2001).

Significance of Service Quality

Delivering excellent service quality is widely recognized as a critical business requirement (Voss et al, 2004a; Vilares & Coehlo, 2003). It is "not just a corporate offering, but a competitive weapon" (Rosen et al., 2003) which is "essential to corporate profitability and survival"' (Newman & Cowling, 1996). Many authors agree that in today's dynamic market place and market space, organization no longer compete only on cost but more importantly on service/product quality. In a competitive marketplace where businesses compete for customers, delivering quality service is seen as a key differentiator and has increasingly become a key element of business strategy (Heskett, et al., 2017; Kotler 2006).

Consequences of poor service quality

Weimershirch et al. (2014) comments that it is important for management to recognize the different ways that the quality of a firm's product or service can affect the organization; and to take these into account in developing and maintaining a quality assurance programme. He outlined some of the major ways that poor quality affects an organisation to include the following:

- **Loss of Business:** Failure to devote adequate attention to quality can damage a profit oriented organization's image and lead to a decreased share of the market, or it can lead to increased criticism and controls from a government agency or non-profit organization.

- **Liability:** Poor quality may create potential liability for a firm due to damages or injuries resulting from either faulty design or poor services.

- **Productivity:** Productivity and quality are often closely related. Poor quality can adversely affect productivity during the production process through rework. Conversely, improving and maintaining good quality can have a positive effect on productivity

- **Costs:** Poor quality service increases certain costs incurred by the organization. They include payments of discount to customers to offset the inferior quality, rework costs, warranty cost, replacement cost.

Managing Service Quality

Kotler (2000) pointed out that service firms may win by delivering consistently higher quality service than competitors by exceeding customers' expectations. Customers compare the perceived service to find whether the service meets or exceeds their expectations. Once it exceeds expectation, the service is sought after again. A model is thus presented:

Model of Service Quality Gaps

There are seven major gaps in the service quality concept, which are shown in figure 1. The model is an extension of Parasuraman et al. (1985). According to the following explanation (ASI Quality Systems, 1992; Curry, 1999; Luk & Layton, 2002), the three important gaps,

4

which are more associated with the external customers, are Gap l, Gap5 and Gap6; since they have a direct relationship with customers.

Gap1: Customers' expectations versus management perceptions: as a result of the lack of a marketing research orientation, inadequate upward communication and too many layers of management.

Gap2: Management perceptions versus service specifications: as a result of inadequate commitment to service quality, a perception of unfeasibility, inadequate task standardization and an absence of goal setting.

Gap3: Service specifications versus service delivery: as a result of role ambiguity and conflict, poor employee-job fit and poor technology-job fit, inappropriate supervisory control systems, lack of perceived control and lack of teamwork.

Gup4. Service delivery versus external communication: as a result of inadequate horizontal communications and propensity to over-promise.

Gap5: The discrepancy between customer expectations and their perceptions of the service delivered: as a result of the influences exerted from the customer side and the shortfalls (gaps) on the part of the service provider. In this case, customer expectations are influenced by the extent of personal needs, word of mouth recommendation and past service experiences.

Gap6: The discrepancy between customer expectations and employees' perceptions: as a result of the differences in the understanding of customer expectations by front-line service providers.

Gap7: The discrepancy between employee's perceptions and management perceptions: as a result of the differences in the understanding of customer expectations between managers and service providers
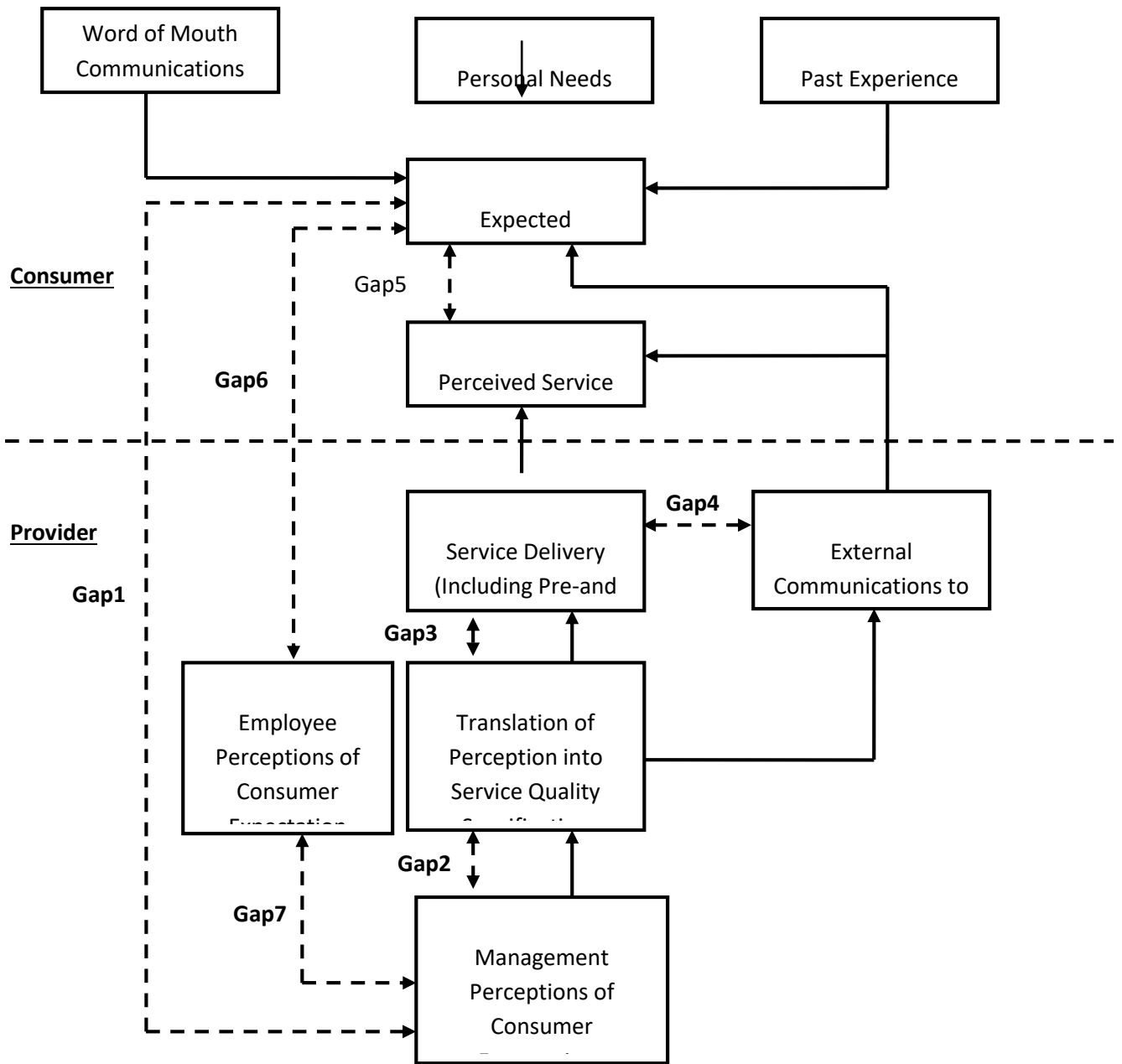
Figure 1: Model of Service Quality Gaps (Parasuraman, 1985: Cury, 1999)

METHODOLOGY

The study adopted the survey research design as necessary data for this study were elicited systematically from sampled customers of the five telecommunication companies: MTN, GLOBACOM, Airtel, 9mobile, and Multi-links.

The population of this study was made up of customers of Telecommunication service providers in Oredo Local Government area of Edo State. The sample size consists of 500 mobile telecommunications customers drawn from 5 out of the 12 wards in Oredo Local Government area of Edo State. These 500 sample respondents were chosen by selecting 10 streets randomly from each ward using 2022 INEC Register which include name of Wards and the streets in each of the Local Government. Finally, simple random balloting was used to pick 10 houses in each of the 10 streets that represent each ward. Furthermore, a respondent was selected from each of the houses randomly chosen. This process was repeated till the 5 wards were covered. A total of 100 respondents were drawn from each ward, thereby making it a sample size of 500 respondents. Hence, the sampling technique for this study is the Multi-stage cluster sampling.

The primary data for this study were collected using a questionnaire. The questions include those on personal background of the respondents that is age, gender, qualification, and sex. The other questions were drawn from the core subject matter of the research investigation (customer's satisfaction and complaints behaviour with respect to telecommunication services).

The question-response format of the questions in the core subject matter were of the five Likert-type scale with options ranging from Very satisfied (5), Satisfied (4), through Neither satisfied nor dissatisfied (3), to Dissatisfied (2) and Very Dissatisfied (1). The questions as is common with every Likert scale item, sought to ascertain the respondent's satisfaction and their perception of complaints management in the telecommunication industry. The statistical package for social sciences (SPSS) version 16 software was used to analyze the data collected. For quantitative analysis, descriptive and inferential statistics which include: frequency tables, means, standard deviation and percentages were used to answer the research questions. Students' T-test was used to test the proportion of customers who are satisfied with the services provided by Nigerian telecommunication industry against those who are dissatisfied.

RESULTS AND DISCUSSION

Respondents' Subscription to Mobile Network
The results in table 1 show respondents' subscription to mobile network. 308 (62.99%) subscribed to MTN, 284 (58.08%) subscribed to Globacom, 291 (59.51%) to Airtel, 182 (37.22%) to Etisalat, and 42 (8.59%) to Multilinks.

Table 1 **respondents' subscription to mobile network**

Mobile network	Frequency	Percentage
MTN	308	62.99
Globacom	284	58.08
Airtel	291	59.51
9mobile	182	37.22
Multilinks	42	8.59

Source: Authors' Fieldwork, (2022)

Table 2 **Chi-Square Test for respondents' subscription to mobile Network**

Network	Observed Frequency	Expected Frequency	Residual
MTN	308	221.4	86.6
Globacom	284	221.4	62.6
Airtel	291	221.4	69.6
9mobile	182	221.4	-39.4
Multilinks	42	221.4	-179.4

0 cells (0%) have expected frequencies less than 5

Chi. Square	225.832
df	4
Asym Sig.	0.00

The results in table 4.3 indicate that the calculated value of Chi-Square Statistic is 225.83 with a significant probability of 0.000. Thus, the Chi Square test is significant since the asymptotic significant probability associated with the test is less than 5%. Consequently, respondents' subscription varies across the different Networks.

Preferred Mobile Networks
The results in table 4.4 show that respondents who prefer MTN, Globacom, Airtel, 9mobile, and Multilinks were 171(34.8%), 102(20.8%), 186(37.9%), 24(4.9%) and 6(1.2%) respectively; thus indicating that the majority of the respondents prefer Airtel.

Table 3 Preferred Mobile Networks

Network	Frequency	Percent
MTN	171	34.97
Globacom	102	20.86
Airtel	186	38.04
9mobile	24	4.91
Multilinks	6	1.23
Total	489	100

Source: Authors' Fieldwork (2022)

Table 4 Chi-Square Test

Network	Observed Frequency	Expected Frequency	Residual
MTN	171	97.8	73.2
Globacom	102	97.8	4.2
Airtel	186	97.8	88.2
9mobile	24	97.8	-73.8
Multilinks	6	97.8	-91.8

0 cells (0%) have expected frequencies less than 5. The minimum expected cell frequency is 97.8

Chi. Square	276.368
df	4
Asym Sig.	0.00

The results in table 4 reveal that the calculated value of the Chi-Square statistic is 276.4 with a significant probability of 0.00, which is less than 0.05. The implication is that the Chi Square test is significant since the asymptotic significant probability of 0.00, is less than 5%. Consequently, respondents' preference is related to type of network.

Satisfaction with Mobile Networks
The results in table 5 indicate that the satisfaction index for MTN, Globacom, Airtel, 9mobile, and Multilinks were 2.98, 2.74, 3.00, 3.02, and 2.62 respectively; thus indicating that the majority of the respondents preferred MTN followed by Airtel, Globacom, 9mobile, and Multilinks. However, a greater proportion of the respondents who preferred 9mobile were more satisfied followed by Airtel and MTN, Globacom, and Multilinks respectively.

Table 5 Satisfaction with Mobile Network

Response	Weight	MTN	Globacom	Airtel	9mobile	Multilinks
Very Dissatisfied	1	53(17.2%)	57(20.1%)	47(16.2%)	27(20.3%)	11(26.2%)
Dissatisfied	2	84(27.3%)	88(31.0)	78(26.8)	51(28%)	12(28.6%)
Neither Satisfied nor Dissatisfied	3	40(12.99)	43(15.1%)	41(14.1)	31(17%)	6(14.3%)
Satisfied	4	79(25.65)	63(22.2%)	76(26.1)	38(20.9%)	8(19.1%)
Very Satisfied	5	52(16.88)	33(11.6%)	49(16.8)	35(19.2)	5(11.9%)
Total		308(100%)	284(100%)	291(100%)	182(100%)	42(100%)
Satisfaction Index		2.98	2.74	3.00	3.02	2.62

Source: Authors' Fieldwork (2022)

Table 6 ANOVA Table for Customers' Satisfaction with their preferred Mobile Network

Source of Variation	Sum of squares	Df	Mean Square	F	Sig.
Between Group Means	17.6	4	4.4	2.4	0.049
Within Group Means	2027.9	1102	1.8		
Total	2045.5	1106			

The results in table 6 indicate that the calculated value of F was 2.4 with a significant probability of 0.049. To this end, the ANOVA test is significant at the 5% level since the asymptotic significant probability (0.049) is less than 0.05. The implication is that there are differences between the mean levels of satisfaction of customers across networks. Consequently, customers' satisfaction varies with networks.

Table 7 Mean Customers' Satisfaction with their preferred Mobile Network

Response	MTN	Globacom	Airtel	9mobile	Multilinks
VD	53	57	47	27	11
D	84	88	78	81	12
NS	40	43	41	31	6
S	79	63	76	38	8
VS	52	33	49	35	5
TOTAL	308	284	291	182	42
Mean	61.6	56.8	58.2	36.4	8.4
Ranks of Means	1	3	2	4	5

Table 8 Weighted Mean of Customers' Satisfaction with their preferred Mobile Network

Response	MTN	Globacom	Airtel	9mobile	Multilinks
VD	53	57	47	27	11
D	168	176	156	162	24
NS	120	129	123	93	18
S	316	252	304	152	32
VS	260	165	245	175	25
Total	917	779	825	609	110
Mean	61.1	51.9	58.33	40.6	7.33
Ranks of Means	1	3	2	4	5

Table 9   Walter Duncan Multiple range tests

	N	Subset for $\alpha = 0.05$	
		1	2
Multilinks	5	22.00	
9mobile	5	119.8	119.8
Globacom	5		155.8
Airtel	5		175.0
MTN	5		183.4
Sig.			

Means for groups in homogeneous subsets are displayed

a.   Uses Harmonic mean, sample size = 5.00

b.   Type 1/type 2 Error seriousness ratio = 1.00.

The results in table 9 indicate that there are two groups in homogeneous subsets. The first set consists of Multilinks and 9mobile while the second set consists of Globacom, Airtel and MTN. The implication is that the mean level of customer satisfaction with Globacom, Airtel, and MTN is the same. However, mean customers' satisfaction with Multilinks is significantly different from that of Globacom, Airtel, and MTN. Mean customers' satisfaction with 9mobile is not significantly different from what obtains in any of the two groups.

The result of the study reveals that the proportion of customers who are satisfied with the services of the telecommunication service providers is the same as those that dissatisfied. This means that telecommunication firms are doing their best to meet the increasing demand of customers in Nigeria but their best seems not to be adequate. This finding agrees with the opinion of Frempong & Henten, (2004) in a study carried out on telecommunication developments and investments in Ghana. The authors noted that the goals set by government have only been partly met especially with respect to the development in rural areas and that the quality of service is still low. They therefore concluded that there is a widespread dissatisfaction with the general telecom development in Ghana. Going by this revelation, it shows that the experience of telecom customers in Ghana is not different from what is applicable in Nigeria.

CONCLUSION/RECOMMENDATION

The telecommunications industry is very vital to the development of any nation owing to the relevance of information to national consciousness and development. Efficiency of the telecommunications sector is vital to speedy information dissemination. Besides, efficient and speedy dissemination of information through the telecommunication sector reduces the cost of dissemination of information since the alternatives to telecommunications are more expensive. This underscores the need for all stakeholders to contribute towards the development of the sector. In view of the problem definition of this study, there is the need for the service providers to take bold steps to improve on their services and thus enhance customer satisfaction. Results of the study

11

indicate that the level of customer satisfaction is a function of the choice of service provider; this suggests that there is conspicuous disparity in the quality of services provided by the various service providers. To this end, management of the various telecommunication companies should do everything possible to improve their services to be comparable with the best in the industry. Furthermore, the policy makers in government should adopt measures to regulate the quality of services in the telecommunication industry by setting minimum standards that must be adhered to by the telecommunications companies. Such standards will help to ensure that it is possible to control these companies. One way to effectively monitor the conformance of the services of the telecommunication companies to set standards is to ensure that relevant government companies use all the major networks as their means of communications;

References

Adekeye, P. (2001). Customers' Satisfaction with Telecommunication Services. Marketing *Quarterly, Binghamton*, 23(2), 61.

Asubonteng, P., McCleary, K. J. & Swam, J. E. (2016). SERVIQUAL revisited: A critical review of service quality, *Journal of Service Marketing* 10(16), 62-81.

Berkman, G. & Gilson, O. (2016). *Customer relationship management: Concepts and Tools*. Elservicer Bulter-Worth, Heinemann MA.

Berry, Leonard, L. & Parasuraman, A. (2002). *Marketing Services: Competing through quality*. New York, Free Press.

Bryant, B. F. & Cha, J. (2016). Crossing the threshold. *Marketing Research*, Chicago, Winter, 8(4), 20-29.

Frempong, G. & Henten, A. (2004). Telecom developments and investments in Ghana. Discussion paper WDR0305, WDR Dialogue Theme 2003.

Gronroos, C. (1990). Service Management: A Management focus for service competition. *International Journal of Service Industry Management*. 1(1), 9-30.

Gronroos, C. (2001). The perceived quality concept: A mistake? Managing service quality. *International Journal of Service Industry Management*. 11(3), 150-152.

Herzberg, F. (1968). A cognitive (Attribution). Emotion-action model of motivated behaviour: An analysis of judgments of help giving, *Journal of personality and social psychology*, 39(2), 186-200.

Kotler, P. & Kelvin, K. (2006). *Marketing Management*. 12th Edition. Pearson Education Inc. New Jersey.

Mano, H. & Oliver, R. L. (2013). Assessing the dimensionality and structure of the consumption experience: Evaluation, feeling, and satisfaction, *Journal of Consumer Research*, 20, 451-466.

Maslow, A. (1954). *Motivation and Personality. Harper and Row*: New York.

Naumann, E. (2015). *Customer satisfaction measurement and Management: Using the Voice of Customer*. Thompson Executives Press, OH.

Newman & Cowling (2016). *Service management: Strategy and leadership in Service Business*. 2nd Edition, John Wiley, Chichester.

Ombudsman (2010). A Survey of Complaints Handling Practices in the Western Australian State and Local Government Sectors.

Oyewole, P. (2001). Customers' socio-demographic characteristics and satisfaction with services in the Airline Industry. Services Marketing *Quarterly, Binghamton*, 23(2), 61.

Palvia, P. C. & Palvia, S. C. (1999). An Examination of the IT Satisfaction of small business users. *Information and Management*, 35(3), 127-137.

Parasuraman, A., Zeithaml, V. A. & Berry, L. L. (1988). SERVQUAL: A multiple item scale for measuring customer perceptions of service quality, *Journal of Retailing*, 64, 12-40.

Sureshchandar, P., Richard, V. & Mittal, V. (2002). A Model of advertising and product quality. *Journal of Political Economy*, 86, 61-63.

Wong, A. (2004). The role of emotion in service encounters, managing service quality. *Journal of Marketing Research*. 14(5), 365-376.

Whitely, N.O. (2011). Relationship between service quality and customer satisfaction in the formation of customers' decision, *Journal of Marketing*, 45, 21-23.

Zeithaml, V. A., Berry, L. L. & Parasuraman, A. (1996). The behavioural consequences of service quality, *Journal of Marketing*, 60, 31-46.

Zeithaml, V. A., Parasuraman, A. & Berry, L. L. (1990). *Delivering quality service,* The free press, New York, NY.

Zeithaml, V. A. (1987). Consumer perceptions of price quality and value: A means-end model and synthesis of evidence. *Journal of Marketing*, 52, 2-22.