

Satisfaction of Telecom Subscribers: Impact of Service Quality, Value and Trust

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Abstract: *Satisfaction in services is a very relative term. Individuals have different perceptions and besides operator parameters, peer groups, family, other acquaintances could land up exerting their influence. Satisfaction is critical for brand and company to sustain in the long run. There is a necessity to see how operator parameters like quality of service, trust in the company / brand and value obtained by subscribing to the operators’ services have a bearing on the level of customer’s satisfaction. Telecom customers numbering 636 at Vijayawada (rural locales) were engaged in responding to structured queries about constructs chosen for the study and profile data. Multiple regression analysis was executed to ascertain the outcome in terms of impact of independent variables on dependant variable.*

Keywords: *Telecom, Service Quality, Value, Trust, Satisfaction.*

I. INTRODUCTION

The second quarter of this year (web 1 and Table 1) revealed that Reliance Communication registered a slight growth in subscriber base. Tata Teleservices and BSNL had losses. Bharti Airtel and Vodafone Idea had fluctuations but no major change. Reliance Jio was steadily registering growth. The total dipped in May 2019 and then had a rise in June 2019.

Table 1: Andhra Circle Telecom

	04-2019	05-2019	06-2019
Bharti Airtel	27914445	27714365	27865264
Reliance Communication	1972	2045	2055
Vodafone Idea	22161387	21538117	21546770
Tata Teleservices	1227200	1113693	1057674
BSNL	10118284	10090124	10086993
Reliance Jio	25171351	25924717	26415879
Total Subscriber Base	86594639	86383061	86974635

II. NEED FOR THE RESEARCH

Satisfaction in services is a very relative term. Individuals have different perceptions and besides operator parameters, peer groups, family, other acquaintances could land up exerting their influence. Satisfaction is critical for brand and company to sustain in the long run. There is a necessity to see how operator parameters like quality of service, trust in the company /

brand and value obtained by subscribing to the operators' services have a bearing on the level of customer's satisfaction.

III. REVIEW OF LITERATURE

III.1. Service Quality: Agarwal and Boora (2018) scrutinized the effect of service quality on customers' satisfaction in mobile telecom industry in Saudi Arabia. This study stressed that the various components of service quality had direct influence on customer satisfaction. It was found that customer had positive attitude on the magnitude of quality of service. Competition in telecom sector was rising rapidly with the introduction of new services in tandem with changing technology. Results showed that data charges, signal quality, voice quality, user charges, and accuracy in billing practices increased reliability. Similarly, retail outlets, advanced technology, and user-friendly website provided better tangibility access. Responsiveness in the form of employee support, prompt response, and value-added services enhanced customer satisfaction. Moreover, offers, services, internet speed, and geographical coverage (assurance) and all empathy aspects directly foster satisfaction.

Baba (2018) investigated service quality and customer loyalty in telecom industry. This study identified reliability, responsiveness, empathy, tangibles and assurance as antecedents of service quality in Airtel and BSNL. It was found that service quality had direct and positive relationship in determining customer loyalty in telecommunication industry. Results revealed that delivery of services provides satisfaction to the customers; hence customers demonstrated greater customer loyalty. Findings indicated that empathy was the influential and effective predictor of customer loyalty among five antecedents of service quality. It followed by responsiveness, reliability, tangibles and assurance. Findings also showed that comparatively service quality of BSNL laggedapropos Airtel. It was found that Airtel provided quality service to its customers than BSNL. It was concluded that telecom companies must pay attention and take necessary measures to increase service quality.

Keerthi et al. (2017) attempted to measure service quality of telecommunication firms in India. This study revealed that provision of better and quality service was the success factor for firms involved in telecommunication services. It was found that functional support systems, employee courtesy, skilful and trained workforce, latest equipment and timely service were used to enhance service quality. Results indicated that mobile network operators planned to provide better service so as to increase customer satisfaction and ultimately elicit loyal to the firm. Quality of service was considered as the key factor in creation of value and had positive impact on customer satisfaction. Findings suggested that mobile service providers need to check degree of customer sensitivity and anticipation toward service delivery. This would provide strategies to ensure reliability and faster services to customers.

Mahalaxmi and Sureshkumar (2017) examined service quality and its influence on customer preference and satisfaction in Reliance Jio in Trichy. It was found that unlimited voice calling and faster data connectivity enabled customers to select Reliance Jio. This study stressed that young customers were expressing more interest to buy and use and felt more satisfied with its services. The coverage of the network and the speed at which it worked hampered the quality of service in rural locales. Findings also revealed that Jio offered its services to 4G handsets, hence it forced the customers to change to 4G handsets. Findings divulged that due to its efficient service quality, it occupied one-third of telecom market share within half-year period. It was concluded that service quality of Reliance Jio was comparatively better and it drove customer preference and satisfaction.

III.2. Satisfaction: Miah et al. (2018) examined the entities that shaped the satisfaction of customers apropos telecommunication companies in Malaysia. This study analysed the different aspects which influenced customer satisfaction or promoted customer satisfaction. The aspects included brand image of the firm, quality of service offered and price charged. Results showed that brand image and price of the telecom operator had significant association with customer satisfaction towards the telecom industry. Findings stressed this study did not find any association between service quality and customer satisfaction. It was found that both local and foreign companies were offering parallel services due to intense competition prevailing in the market. This study suggested that telecom operators should make vital measures to strengthen their core business (stimulating interest and maximising satisfaction).

Munyaniti and Masrom (2018) aimed to analyse customer satisfaction towards mobile network services. This study stressed that network operator market has experienced tremendous growth due to customer needs and intense competition. Therefore, tough competition paved the way to retain existing customer and attract new customers. However, mobile network operators planned to increase their service strategy so as to maximize customer satisfaction. Results found that customer service, promotional activities, network coverage, price and billing, and service quality were aggressively concerned with customer satisfaction. Therefore, network operators should take relevant measures to make customers more satisfied. This study suggested that network operators should focus on offering quality service to retain customers.

Brahmani and Vamsi (2017) examined customer satisfaction towards Reliance Jio telecom services. It was found that Reliance Jio offered its services free of cost to customers during launch time. Results showed that customers were highly satisfied with its pricing practices. 4G mobile internet, high voice clarity, free channels, no roaming cost, and free voice calls were the benefits enjoyed by the customers. Findings disclosed that young people highly preferred to buy and use Reliance Jio; there was high level of satisfaction on its services. This study divulged that lack of speed and lack of sufficient coverage in rural areas were the distressing factors affecting satisfaction. It was also observed that demographic factors have no effect on overall satisfaction on Jio services.

III.3. Perceived Value: Oduro et al. (2018) attempted to assess the determinants of customer satisfaction in telecom sector in Ghana. This study considered customer expectation, customer loyalty, perceived quality, relationship quality, and perceived value. It was found that perceived value was the distinction between customer estimation on benefits and costs of a service and its alternatives. Therefore, perceived value was the quality measure relating to price sacrificed. Results showed that perceived quality, customer loyalty, and relationship quality had a positive impact on customer satisfaction. It was also found that perceived value, customer expectation, and customer complaints do not have any impact on customer satisfaction. Findings of the study suggested that telecom operators should consider customer perception on quality, value and loyalty.

Rajathi and Siva (2018) examined the impact of service quality dimensions on customer satisfaction. This study stressed that service quality was the difference between customer expectation and experience of using mobile network. This study showed that customer expectations relating to perceived value and perceived quality govern their expectations on service quality. Different dimensions of service quality were considered and their impact on customer satisfaction was measured. This study revealed that there was significant different

that existed between male and female customers in relation to reliability, empathy and responsiveness. Findings showed that there was no difference found in assurance, tangibles and network quality dimensions. It was concluded that service quality had moderate impact on customer satisfaction.

Babic-Hodovic et al. (2017) analysed the role of quality (technical and functional) in mobile services. This study also analysed the role of corporate image as a mediator in quality perception, value perception and quality assessment in mobile services. This study emphasised that perceived functional quality was concerned with service quality dimensions. Similarly, perceived technical quality was also concerned with network and improved technical service offering of the mobile services. Findings showed that perceived quality along with perceived value was found at a satisfactory level; it ultimately led to attain better corporate image among customers. Findings also indicated that both perceived technical quality and functional quality had positive association with corporate image. In conclusion, it was found that image seemed to be mostly significant in driving functional quality evaluation on overall quality assessment.

Laddha and Trivedi (2017) examined customer perception towards brand Reliance Jio. This study showed that customers had their own perceptions about telecom service provider; accordingly, they value the quantum of services. This study showed that customer perception can be measured in terms of products, culture, benefits, personality, values, and users to a specific brand. Results revealed that customer perceived value of Reliance Jio was concerned with economic value. It was found that customers were benefited much in terms of high data for moderate cost, along with free calling, free roaming and messaging. Moreover, Reliance Jio was a boon to customers who were involved in social network connectivity and online shopping. It also provided customers free channels to watch. It was concluded that customer perception in terms of economic value was high in the case of Reliance Jio.

III.4. Trust: Afridi et al. (2018) aimed to examine the customer perception concerning corporate social responsibility and its effect on customer loyalty while trust mediated the link in the telecom context. It was found that customers, employees, community, and environment were the ingredients of corporate social responsibility. Similarly, customer loyalty could be dealt under behavioural and attitudinal loyalty. Results showed that corporate social responsibility had positive effect on customer loyalty. It was found that customer loyalty was concerned with the quality of service, differential pricing, better validity period, availability of recharge channels, and support of telecom operators. It was concluded that customer trust acted as a mediating variable on customer social responsibility and customer loyalty.

Godiwala (2018) assessed the business strategy of Reliance Jio service. It was found that the launch of 4G services got a massive welcome among different segments of customers in telecom market. Therefore, customers were highly interested to use 4G mobile service because of its wide presence in providing cost effective service to its customers. Results found that trustworthy services in the form of low price, high speed, uninterrupted services, attractive package, and value-added services played an essential role in customer attraction. Moreover, its service assurance in terms of free call and roaming brought more customer trust. Initially, customers used free calling and data, which increased fondness and trust between the customer and company. Further, it offered services based on fixed tariff plan, it was affordable to the customers and ensured trust.

Al-Amri and Al Shammery (2017) examined the mobile sector in Saudi Arabia apropos trustworthiness and trust. Fairness factors can be classified into interactional fairness, procedural fairness and distributive fairness factors, which consecutively contribute drastically to trust and trustworthiness. It was found that factors of trustworthiness included integrity, benevolence, and ability which led to trust. Ability was concerned with competency, skills and characteristics. Benevolence was the service provision and integrity were concerned with adherence of systems. Results revealed that all dimensions of fairness had effective association with trust and trustworthiness. It was extremely useful for mobile firms to adapt appropriate practices of interactional, procedural and distributive fairness to attain loyalty and trust. In conclusion, it was found that mobile sector firms had to maintain fairness relationship so as to establish trust with customers.

Hermawan et al. (2017) investigated image, loyalty and contentment apropos service quality and pricing. It was found that service quality was concerned with provision of optimum service, network quality, use of technology, and need fulfilment from the service provider. Pricing policy was related to bonus offers, affordable prices, and differential validity. Perception had significant and positive effect on customer satisfaction through pricing policies. The study also revealed that competitive pricing and incentives attracts customers, it had positive impact on image of the telecom service provider. Moreover, higher satisfaction due to service quality could increase customer trust on service provider. It was concluded that telecom companies have to implement better pricing and service quality so as to develop customer base.

IV. METHODOLOGY

Telecom customers numbering 636 at Vijayawada (rural locales) were engaged in responding to structured queries about constructs chosen for the study and profile data. Customers with mobile connection for at least three months were permitted to express their views. Multiple regression analysis was executed to ascertain the outcome in terms of impact of independent variables on dependant variable.

V. DATA ANALYSIS AND RESULTS

Regression was employed to assess the influence of pricing, promotion and switching dissuasion (independent variables) on loyalty (dependant variable) exhibited by urban telecom subscribers in Andhra Telecom Circle. The test results are documented in Tables 2.

Table 2: Output of Regression

	Unstandardized Coefficients	Sig.
(Constant)	3.065	0.000***
Service Quality (X ₁)	0.078	0.046*
Value (X ₂)	0.264	0.000***
Trust (X ₃)	0.753	0.000***

R = 0.792; R² = 0.628; * p < 0.05; *** p < 0.001

Regression equation inferred from Table 2:

$$Y = 3.065 + 0.078X_1 + 0.264 X_2 + 0.753 X_3$$

Satisfaction of telecom subscribers would be incremented by 0.078 for every unit increment in Service Quality; would increase by 0.264 for every unit increment in Value; and would be incremented by 0.753 for every unit increment in Trust.

VI. CONCLUSION

Trust emerged as the vital factor that eventually had a bearing on satisfaction and subsequent loyalty in telecommunication services. Trust in turn was influenced by the manner in which the telecom operator dealt with the customer right from the time he or she made preliminary enquires. Enticing customers should not be presumed to be the final step. Long term relationship is an arduous journey with several possibilities of service failure during the various processes. Service recovery needs to be instant as even a slight delay could lead to customers mulling switching options.

VII. REFERENCES

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