DETERMINING FACTORS OF CUSTOMERS’ SATISFACTION OF THE GLOBAL TELECOMMUNICATION INDUSTRY IN ADAMAWA STATE, NIGERIA

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Abstract
The aim of this study is to examine the factors that determine customer satisfaction in the global telecommunication industry in Adamawa state of Nigeria. The population of this study consists of the customers of four leading mobile telecommunication companies in Adamawa state. The firms are MTN, Globacom, Airtel and Etisalat. A local government area was randomly selected from each of the three senatorial district of Adamawa state. These local governments are Demsa, Mubi North and Yola North local government areas. The data for the study was generated through primary source. The total number of customers in this selected local government is 161,795 out of which a sample of 399 was drawn. Descriptive statistics (frequency and percentage) was used to ascertain the factors that determine customer satisfaction while inferential statistics multiple regression was made use of to know the differences amongst the satisfaction factors. The study found that the major factors that determine customer satisfaction in the mobile telecommunication industry are; low switching rate, stronger signal coverage, satisfaction with charges, good network coverage, and fastness in responding to customers enquires/problems. The result also showed an insignificant difference between the factors of customer satisfaction in the telecommunication industry in the study area. This is because the probability value (P = 0.08) is greater than alpha (α = 0.05) level of significance. Hence, the null hypothesis which states that there is no significant difference between the factors of customer satisfaction in the telecommunication industry is hereby accepted. The respondents had a mean and standard deviation of 22.3332 and 2.1117 respectively. The study concluded that despite the fact that the telecommunication firms are aware of the factors that could lead to customer satisfaction, and take into cognisance these factors in coming up with their services, customers are still not satisfied. The study recommended that these firms should understand that people in the north eastern part in the country have suffered the problems of insurgency thus their purchasing power has reduced drastically, hence they should be charged differently with customers from other parts of the country and also firms should be prompt in attending to customer complaints

Keywords: Telecommunication industry, Customer satisfaction, Factors

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Introduction
Today, businesses are in a continuous state of flux occasioned by the competitive war in the market place, new firms in the same business spring up daily to offer virtually similar product or service, reducing the market space for the already existing competitors and increasing the stake for their survival which make it very tough. To meet up and fit into such a competitive arena, companies employ many marketing strategies to have an edge over others in the market place. Some popular strategies used by companies includes the innovative and the dominance marketing strategies. This dominance strategy enable customers to access their products and services very easily which in turn lead to customer satisfaction while some companies have a cutting-edge in term of innovation and technological advancement. This technological advancement has enabled customers pay for goods and services on line, e-banking etc using their mobile phone. Organizations constantly develop and improve their strategies in order to capture a greater share of the market and to satisfy their customer. Today indeed, whether poor, average or rich, no firm ignores competition, doing that will amount literally to shutting the doors of the company to its customers. Both the product and service providers are washed in strategies to stave off competition. In one industry, it would appear as if competitor strategies are more pronounced than the others, whereas the picture in other industries is equally revealing. Looking at the mobile telecommunication market scene today it is literally held hostage by competition and its inherent marketing strategies in other to satisfy customers.

The mobile telecommunications market in Nigeria is a competitive one, dominated by four companies: Mobile Telephone Network (MTN) Nigeria, Global Communication limited Globacom limited or GLO mobile, Airtel, and Emirates Telecommunication Corporation branded trade name Etisalat Nigeria.

Statement of the Problem
The marketing concept holds that the key to the achievement of any successful business lies in providing goods and services that meet the wants and needs of customers effectively and more efficiently than competitors are doing. Companies embark on different marketing strategies in order to satisfy their customers and to remain relevant in the business environment.

The Global system for mobile (GSM) industry is not an exception in term of using strategies to satisfy their customers, amongst the marketing strategies employed by GSM operators are the innovative, dominance as well as the corporate social responsibility market strategies. But despite the use of these different marketing strategies to get an upper hand in the market environment
it seems customers of these GSM service providers that are seen to have dominated the market are not satisfied with the services being offered to them. Also, some studies have been conducted in the telecommunication industry in Nigeria, notable amongst such studies are that of Afolabi and Ojo (2015) on the assessment of competitors’ strategies of Global System Mobile (GSM) Communication for service providers in Nigeria, Mustapha, Msheliza and Ndubuisi (2013) on an analysis of consumer perceptions and usage of mobile Telecommunications brand in Maiduguri township in Nigeria, but these studies did not look at the marketing strategies and the level of customer satisfaction. The studies that were conducted on customer satisfaction in Nigeria are mostly conducted in the hotel and banking industry, but none of these studies looked at the assessment of marketing strategies of GSM communication on customer’s satisfaction in Adamawa State. It is against this background that the study intends to assess the effect of marketing strategy of telecommunication service providers on customer satisfaction in Adamawa.

**Literature Review**

**Customers Satisfaction**

Customer satisfaction is the overall impression of customer about suppliers and their products or services. Customer satisfaction has been perceived as a key determinant behind the customer’s decision to leave or stay with an organisation (Thakur, 2011). Youjae (2010) defined customer satisfaction as a measure of how products and services supplied by a company meets or surpasses customer’s expectation. Customer satisfaction is a key performance indicator; it shows how prudence a company has used its business unit strategies. In a competitive market place where business organizations compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy. Customer satisfaction provides leading indicator of customer purchase intention and loyalty (Dow, Alexander, Ofir & Jeff, 2006).

**Determinant of Customers’ Satisfaction**

Identifying the determinants of customer satisfaction in the telecommunication industry includes switching (i.e., dissatisfaction), and retention (long-run satisfaction) is very important and crucial for firms’ profitability, survival, and competitiveness. Equally important is identifying the relationships among the two, which has been well researched in satisfaction studies. According to Oliver (1997), retention and switching are short-term consequences of satisfaction, while loyalty is a long-term consequence. Hirschman (1970) proposed that individuals in commercial and institutional relationships have two response options if faced with
unsatisfactory services, either to exit (leave the relationship) or to voice (communicate displeasure to the firm). Later, Hirschman added a third response, loyalty (decide to stay rather than to exit or voice). Timm (1990) reported that firms in the US lose 20% of their customers due to dissatisfaction. This is because dissatisfaction reinforces negative reactions in various ways, one of which is switching (Hart, Heskett, & Sasser, 1990; Anderson & Best, 1977; Berry, Parasuraman, & Zeithaml, 1988). Another consequence of dissatisfaction might be complaining (Anderson & Best, 1977; Berry, Parasuraman, & Zeithaml, 1988; Gilly, 1987; Resnik, Gnauck, & Aldrich, 1977). Other researchers have gone even further and reported that dissatisfaction may cause a number of consumer responses that generally go unnoticed by firms, referred to as a “hidden agenda.”

These consumer actions include boycotting the product, the brand, or the seller, negative word of mouth, and public complaining (Day, Grabièke, Schetzle, & Staubach, 1981). Literature shows that many customer satisfaction studies have used the Disconfirmation of Expectations model which assumes that consumers evaluate product performance by comparing its perceived performance with their expectations (Parasuraman, Zeithaml, & Berry, 1985 & 1988; Cadott, Woodruff, & Jenkins, 1987; Oliver, 1997; Motley, 2003). When perceived performance matches or exceeds expectations, the customer becomes satisfied. Conversely, when perceived performance is below expectations, the customer becomes dissatisfied (Oliver, 1993; Mittal, Kumar, & Tsiros, 1999; Westbrook & Oliver, 1991; Banker, Potter, & Srinivasan, 2000). Satisfied customers will repeat the purchase, be brand loyal, convey positive word-of-mouth advertising, and all these will enhance sales (Dispensa, 1997; Aaker, 1992; Fornell, 1992; Oliver, 1997). Dissatisfied customers may stop buying the product, spread unfavourable word-of-mouth advertising, and may avoid the product manufacturer and the retailer (Day, Grabièke, Schetzle, & Staubach, 1981; Hirschman, 1970.

Methodology
The study was conducted in Adamawa state, Nigeria. The state was created out of Gongola state on the 27 august, 1991 as one of the nine new state created by the federal Military Government of Nigeria. It is located in the North Eastern part of the Country, prior to its creation in 1991, it was part of the North Eastern State from 1967 to February 1976 and Gongola state from 1976-1991. The State share border with Gombe State to the North, and Borno State to North East, while to the West it is bordered with Taraba State as well as the Republic of Cameroon to the East. Mobile telecommunication started in Adamawa state in 2003. Telecommunication plays an important tool for business opportunity in Adamawa state, because mobile communication
allowed people to make transaction without much stress and allows the flow of information between the rural and urban region. Mobile telecommunications have always been perceived as the engine of growth in the economy to the nation, it also created employment to the youth in the state.

The population of this study are the customers of mobile telecommunication companies in the three selected local government area of Adamawa state. This comprises of MTN, Globacom, Airtel and Etisalat. The total number of customers in this selected local government is 161,795 out of which the sample was drawn. These local governments’ were Demsa, Mubi North and Yola North local government area.

This study used survey research. The data for the study was generated through primary source. The primary data was generated from the various customers of mobile telecommunications providers in the three senatorial district of Adamawa state. The sample size for the purpose of this study was three hundred and ninety nine (399), Adamawa state was clustered into the three senatorial district i.e. Adamawa north, south and central. One local government was selected from each senatorial district. Cluster sampling is the selection of group of study units instead of individual study units. The selected GSM are MTN, Globacom, Airtel and Etisalat respectively. Simple random sampling is the simplest form of probability sampling, to select a simple random sample you have to: make a numbered list of all the units in the population from where the sample is to be selected, decide on the size of the sample to be selected and select the required member of sampling units, using a lottery method or a table of numbers.

Data for the study was obtained through structured questionnaire completed by the various customers of the network providers within Demsa, Mubi and Yola Metropolis, while information from textbooks, internet and previous works by other researchers shall be included.
Table 1. Major Customer Satisfaction in the Mobile Telecommunication Industry

<table>
<thead>
<tr>
<th>S/N</th>
<th>Statement</th>
<th>SA</th>
<th>A</th>
<th>U</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>You will be willing to pay more if your provider improves their services.</td>
<td>214</td>
<td>161</td>
<td>4</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(55.6%)</td>
<td>(41.8%)</td>
<td>(1.0%)</td>
<td>(0.8%)</td>
<td>(0.8%)</td>
</tr>
<tr>
<td>2.</td>
<td>You will switch to other provider if they have better data connectivity.</td>
<td>275</td>
<td>110</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(71.4%)</td>
<td>(28.6%)</td>
<td>(0.0%)</td>
<td>(0.0%)</td>
<td>(0.0%)</td>
</tr>
<tr>
<td>3.</td>
<td>You can convince another person to switch to your provider due to efficient service.</td>
<td>329</td>
<td>56</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(85.5%)</td>
<td>(14.5%)</td>
<td>(0.0%)</td>
<td>(0.0%)</td>
<td>(0.0%)</td>
</tr>
<tr>
<td>4.</td>
<td>You are been charge more for poor service by your provider.</td>
<td>282</td>
<td>103</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(73.2%)</td>
<td>(26.8%)</td>
<td>(0.0%)</td>
<td>(0.0%)</td>
<td>(0.0%)</td>
</tr>
<tr>
<td>5.</td>
<td>Call centres of your mobile provider always met your expectation</td>
<td>275</td>
<td>110</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(71.4%)</td>
<td>(28.6%)</td>
<td>(0.0%)</td>
<td>(0.0%)</td>
<td>(0.0%)</td>
</tr>
</tbody>
</table>

Source: Filed Survey 2018

Table 1 presented major factors of customer satisfaction in the mobile telecommunication industry in the study area. Switching factor which is one of the major determinants factor of customer satisfaction in the telecommunication industry, the table answer research question three. Five question were examined and the interpretation of the result is here by presented as follows; 214(55.6%), and 161(41.8%) of the total respondents strongly agreed and agreed that they will be willing to pay more if your provider improves their services, while only 4(1.0%) undecided while 3(0.8%) each went for disagreed and strongly disagreed. From Question two which stated that “you will switch to other provider if they have better data connectivity” shows that a total of 275(71.4%) strongly agreed, 110(28.6%) agreed while 0(0.0%) went for undecided, disagreed and strongly disagreed. The third, fourth and fifth questions which states that, you can convince another person to put to your provider due to efficient service, you are been charge more for poor service by your provider and call centres of your mobile provider always met your expectation, the respondent tick strongly agreed and agreed meaning that customer will no switch once there expectation is been made. The results of the finding reveal that customers will be willing to pay more if the quality of service is been improve. This implies that based on the respondents view, it is clear that customer will switch to other network providers once there is better connectivity than there provider.
Table 2: Result of t-test showing Difference between the Factors of Customer Satisfaction in the Telecommunication Industry

<table>
<thead>
<tr>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Df</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>385</td>
<td>22.3332</td>
<td>2.1117</td>
<td>384</td>
<td>0.08</td>
</tr>
</tbody>
</table>

i. Critical value = df = 384, 0.08 (p<0.05)

Table 2 showed an insignificant difference between the factors of customer satisfaction in the telecommunication industry in the study area. This is because the probability value (P = 0.08) is greater than alpha (α = 0.05) level of significance. Hence, the null hypothesis which states that there is no significant difference between the factors of customer satisfaction in the telecommunication industry is hereby accepted. The respondents had a mean and standard deviation of 22.3332 and 2.1117 respectively.

Finding found that major factors of customer satisfaction in the mobile telecommunication industry were: low switching rate, stronger signal coverage, or a better offer etc., satisfaction with charges, good network coverage, quick in responding to customers enquires/problems. Supporting this finding, is a study by Ebitu, (2014) conducted a research on marketing strategies and consumer satisfaction of cement product in Calabar of Cross Rivers State in Nigeria, the result shows that 81 representing 42.2% of the respondents out of the sampling frame of 182 are of the opinion that marketing strategy is significant and 62 respondents, representing 34.64% ticked very significant, 19 (10.61) said it is less significant while 17 (9.5%) expressed their opinion ticking very less significant. These indicate that 143 respondents i.e. 80% of them out of 179 shows that the cement company’s marketing strategies have significant positive impact on consumer satisfaction in Calabar. The study added that this may be attributed to the respondents understanding of the marketing strategies of united cement company in the area. However, there was no significant difference between the factors of customer satisfaction in the telecommunication industry in the study area. Opposing this finding, is a study by Uddin, Haque and Bristy, (2014) conducted a research on customer satisfaction of telecom industry in Khulna city Bangladesh. The regression analysis shows that 43.56% of the dependent variables. This signifies that 43.56% variables of customer satisfaction is explain by customer services, personal and market factor, perceived quality, perceived value, technological advantages and company image. All of these variables are found positively related with customer satisfaction except customer services.
Conclusion

Personal and market factor, perceived quality, perceived value, and company image are found statistically significant. Customer satisfaction of telecommunication industry in Khulna city depend on personal and market factor, perceived quality, perceived value and company image. The implication of this study for mobile operators is that operators should not just rely on profit margins as a good indicator of business performance. Rather, they should develop strategies that better capture customers’ perceptions of their service offerings and these strategies can complement the internal perceptions of service offering.

Recommendations

i. It is a known fact that companies are concerned about their market share and by implication their profit margins. Since they cannot use price to manoeuvre easily and as observed in this study, network availability and quality factor are the options left for increasing their market shares and also their profit.

ii. Secondly, billing, customer care service and tariff should also be improved upon. In fact, the whole factors, that is quality, network availability, billing, customer care service, and tariff should be giving holistic approach, so that the market share and the profit of the organization can be improved.

iii. Service provider should avail themselves of best practices worldwide in the area of customer care and establish contact with a view to knowing how their companies are performing relative to their promises and customers expectation. They would also know from customers how they could do better. In terms of quality, government should do more on the mode of operations for the telecommunication companies to achieve a good conformance quality. Standard Organization of Nigeria (SON) should be more empowered, more dedicated, sincere and committed. For technical quality there is need for agency to enforce compliance in order to protect the customers. Moreover, in taking care of these quality offerings, attention must be given by MTN, AIRTEL, Globacom and Etisalat to the demographic factors. Initiative must be centred on males particularly with small income earners and encourage with the proper quality offerings, their commitment to the company will be guaranteed.

iv. Terms and condition of service and other promotional activities should be well stated to customers because some of the product advertised to them do not meet up with what is been giving to them, for that reason telecommunication providers should create more awareness in order to avoid dissatisfaction and switching.
Determining Factors of Customers’ Satisfaction of the Global Telecommunication Industry in Adamawa State, Nigeria

References


