THE EFFECTS OF CUSTOMER RELATIONSHIP MANAGEMENT PRACTICES IN
ENHANCING CUSTOMER SATISFACTION IN THE TELECOMMUNICATION
INDUSTRY

A CASE STUDY OF SAFARICOM LIMITED, ELDORET

BELLA KIPKORIR CHERUIYOT

CBM12/10369/13

A Research Thesis submitted to the graduate school in partial fulfillment of the
requirement for the conferment of Master in Business Administration,

Faculty of Commerce,

KISII UNIVERSITY

OCTOBER, 2014
DECLARATION AND RECOMMENDATION

This research Project is my original work and has not been presented for any academic work, published or submitted in this or any other institution. No part of this work can be reproduced without prior permission from the author or Kisii University.

Signature ……………………… Date ………………………

Cheruiyot K. Bella

CBM12/10369/13

Recommendation

This research project has been submitted for examination with our approval as the university Supervisors

Signature ………………………

Date ………………………

DR. YUSUF KIBET

Faculty of Commerce

Kisii University

Signature ………………………

Date ………………………

DR. RONALD BONuke

Faculty of Commerce

Kisii University
DEDICATION

This research project is dedicated to my beloved parent Ms. Caroline Lagat for her unwavering moral and financial support throughout my postgraduate studies. This is also dedicated to my siblings: Asbel, Mercy and Joakim, friends and colleagues for their great encouragement and support throughout the whole process.
ACKNOWLEDGEMENT

I sincerely appreciate all those who have encouraged me throughout this research Thesis.

I appreciate the invaluable guidance from my research supervisors DR. Yusuf Kibet and DR. Ronald Bonuke. Thank You. I also recognize the moral support and advice from my colleagues, siblings, and friends and all those who contributed to the success of the Thesis.

My gratitude goes to those who assisted me up in all means possible but unmentioned to the completion of this research project.

God bless you all.
ABSTRACT

Despite tremendous growth, telecommunication sector has continued to record an increase in the number of unsatisfied subscribers. According to Communication Commission of Kenya Annual Report (CCK, 2011), the number of formal complaints increased by 70.6% compared to the previous period. The purpose of this study was to establish the factors that affect customer satisfaction and loyalty in the mobile telecommunication industry. Explanatory research was used. The target population of this study was located in Eldoret comprising of the Safaricom’s mobile service subscribers. The sampling design adapted was the cluster sampling. The study needed visiting the customer service centers in Eldoret. A sample size of 384 respondents were sampled as the customer population was more than 5,000 and this represented a sample size of 52.08%. Primary data was collected using a questionnaire while secondary data was obtained from reports of the service provider. Data collected was purely quantitative and it was analyzed by both correlation and regression analysis. The researcher conducted a multiple regression analysis so as to determine the effects of each of the three variables on customer satisfaction. The Cronbach’s Alpha model of measurement analyzed the reliability of the research. The analysis further deduced that 75.1% of the respondents were in use of the service with a larger percentage of 69.1% appreciating the Network Strength, 64.5% appreciating the availability of the products and 61.5% appreciating the level of customer service. This resulted to a 59.6% level appreciating their satisfaction to friends and relatives. The results indicated that network quality, product availability and service quality are significant in explaining the customer satisfaction. The research therefore recommends for a proper investment in customer service quality, product distribution outlets and network development in order to ensure customer satisfaction.
# TABLE OF CONTENTS

DEDICATION........................................................................................................................................................................ ii

ACKNOWLEDGEMENT......................................................................................................................................................... iii

ABSTRACT ............................................................................................................................................................................... iv

TABLE OF CONTENTS.............................................................................................................................................................. v

LIST OF TABLES .......................................................................................................................................................................... ix

ABBREVIATIONS ............................................................................................................................................................................. x

CHAPTER ONE ............................................................................................................................................................................. 1

INTRODUCTION............................................................................................................................................................................. 1

1.0 The Background of the Study ............................................................................................................................................... 1

1.1 Statement of the Problem ..................................................................................................................................................... 3

1.2 Significance of the study ....................................................................................................................................................... 4

1.3 Objectives of the Study .......................................................................................................................................................... 6

1.4 Research hypotheses .............................................................................................................................................................. 7

1.5 Scope of the Study ................................................................................................................................................................. 7

1.6 Limitation of the Study ......................................................................................................................................................... 7

1.7 Definition of terms .............................................................................................................................................................. 7

CHAPTER TWO ............................................................................................................................................................................. 9

LITERATURE REVIEW ................................................................................................................................................................. 9

2.0 The Concept of Customer Satisfaction .............................................................................................................................. 9

2.1 The concept of Consumer Loyalty .................................................................................................................................. 10

2.2 The concept of Customer Relationship Management Practices ......................................................................................... 14

2.2.1 The Relationship Between Product Availability and Customer Satisfaction ..................................................... 14

2.2.2 The Relationship Between Service Quality and Customer Satisfaction .............................................................. 18

2.2.3 The Relationship Between Network Quality and Customer Satisfaction .............................................................. 21
2.3 Customer Behavior Theories ................................................................. 22
2.3.1 The Servqual Model ........................................................................ 22
2.4 Conceptual framework ......................................................................... 23

CHAPTER THREE .......................................................................................... 25
RESEARCH METHODOLOGY ........................................................................ 25
3.0 The research design .............................................................................. 25
3.1 The Target population ........................................................................... 25
3.2 The Sampling Design ............................................................................ 26
3.3 Data Collection ...................................................................................... 27
3.3.1 Type and Sources of Data .................................................................. 27
3.3.2 Data Collection Instrument ................................................................. 27
3.3.3 Data Collection Procedure ................................................................. 27
3.4 Ethical Consideration ............................................................................ 28
3.5 Reliability and Validity .......................................................................... 28
3.6 Data Analysis and Presentation ............................................................... 30

CHAPTER FOUR .......................................................................................... 31
DATA ANALYSIS AND INTERPRETATION OF FINDINGS ....................... 31
4.0 Response rate ....................................................................................... 31
4.1 Demographic Information ..................................................................... 31
4.2 Mobile Services Package Plan Subscribe To ........................................... 32
4.2.1 Period of Usage of Mobile Phone Operators ..................................... 33
4.2.2 Level of Satisfaction with the following aspects of mobile calling tariffs components ..... 34
4.3 Influence of Network ............................................................................ 36
4.3.1 Whether Services are Easily Available .............................................. 36
4.3.2 Level of Satisfaction With the Following Network Aspects Effect in the Mobile Telephony ............................................................37

4.4 Influence of Distribution (product availability) ........................................38
4.4.1 Whether Distribution Outlets for Products are Available ........................................38
4.5.2 Level of Satisfaction with Availability of the Following Products in Mobile Telephony .......39
4.5 Influence of customer service ..............................................................................40
4.5.1 Whether customer service channels Help ..................................................40
4.5.2 Level of Satisfaction With the Following Aspects of Ease of Access to Customer Service in The Mobile Telephony ..................................................40
4.6 Customer Satisfaction .........................................................................................44
4.6.1 Would You Recommend the current Service Provider’s Services to Friends and Relatives .................................................................44
4.6.3 Level of Agreement with the Following Statement ........................................45
4.7 Regression analysis ............................................................................................46

CHAPTER FIVE ........................................................................................................49

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS ........................................49

5.1 Summary of Findings .........................................................................................49
5.1.1 Influence of Network on Customer Satisfaction ............................................49
5.1.2 Relationship Between Product Distribution/Availability and Customer Satisfaction ..........49
5.1.3 Influence of Customer Service on Customer Satisfaction ..................................49
5.2 Discussions of key findings .................................................................................50
5.2.1 Influence of Network Quality on Customer Service .........................................50
5.2.2 Relationship Between Product Distribution/ Availability and Customer Service ..........50
5.2.3 Influence of Customer Service and Customer Satisfaction ..................................51
5.3 Conclusion ...........................................................................................................51
LIST OF TABLES

Table 4.1: Level of education .................................................................31
Table 4.2: Age bracket ................................................................32
Table 4.3: Mobile Services Package Plan Subscribed to ..................33
Table 4.4: Period of Usage of Mobile Telephone operators ................34
Table 4.5: Level of Satisfaction With the Following Aspects of Mobile Calling Tariffs Components ..........................................................35
Table 4.6: Whether Services are Easily Available ..............................36
Table 4.7: Level of Satisfaction With the Following Network Aspects Affect in the Mobile Telephony ..........................................................38
Table 4.8: Whether Distribution Outlets for Products are Available ....39
Table 4.9: Level of Satisfaction With Availability of the Following Products in Mobile Telephony ...............................................................40
Table 4.10: Whether customer service channels Help .........................41
Table 4.11: Level of Satisfaction With the Following Aspects of Ease of Access to Customer Service in the Mobile Telephony ..................43
Table 4.12: Would You Recommend the current Service Provider’s Services to Friends and Relatives .............................................................45
Table 4.13: Rate the Overall Satisfaction With Mobile Communication Services ........................................45
Table 4.14: Level of Agreement with the Following Statement ...............45
Table 4.15: Model Summary .................................................................46
Table 4.16: ANOVA (Analysis of Variance) ...........................................47
Table 4.17: Estimated Coefficients .......................................................48
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRM</td>
<td>Customer Relationship Management</td>
</tr>
<tr>
<td>CCK</td>
<td>Communication Commission of Kenya</td>
</tr>
<tr>
<td>GOK</td>
<td>Government of Kenya</td>
</tr>
<tr>
<td>ICT</td>
<td>Information and Communication Technology</td>
</tr>
<tr>
<td>ID</td>
<td>Identification</td>
</tr>
<tr>
<td>SPSS</td>
<td>Statistical Package For Social Sciences</td>
</tr>
</tbody>
</table>
CHAPTER ONE

INTRODUCTION

This chapter contains a number of important parameters of the study. It is divided into a number of sections. The first section provides the background of the study while the second discuss the statement of the problem. The third section contains the objectives of the study and the fourth presents the importance of the study and finally the scope of the study is presented.

1.0 The Background of the Study

Organization have for a long time struggled to trap and retain their customers. This has seen most companies venture into expensive strategies of intense marketing and comprehensive marketing. Some organization have embraced these strategies and invested them into nurturing their own customers as a part of their system. This involves initiatives such as customer conferences, seminars and workshops and customer involvement appreciation. These investments have diverted the initial position of a customer as a self-drive into an induced sort for component. Organizations spend a lot of money in running such objectives which are expensive and results to an imbalance in the production agenda where more concentration is spent on organizational procedures and functions rather than the investment aspect of it. The importance of understanding the nature, level and scope of this aspect which obviously determine nowadays business in a competitive society is not overrated. Customer satisfaction has been at the center of scholarly research and therefore advancing on the same is quite imperative (McKinsey, 2010).

The study diverted from this tradition and looked at the customer relationship management practices (CRM) as a marketing and long-term customer preference technique. It underlined the importance of an organization spending handsomely in the production component of a product/service in order to produce long term customer loyalty. The performance of the product was studied in terms of its quality, availability, outreach and life- time in the market. The service orientation that is associated with the product, the awareness of the product, the performance and the long- term association with the product are some of the components the study found out.
These services made a basis for both permanent and temporary approaches that organizations will rely on. This involve the use of customer satisfaction approaches and trust initiators to be developed by the organization. To sum it up, every factor contributes a great deal to customer satisfaction. But, the recent trends in the industry tend to be ignorant of statistical rating of those factors, which would help an empirical analysis (Deng S. and Delight R, 2009).

Organizations are either service or manufacturing performances. This therefore means that the way organizations handle customers vary according to the type of engagements they handle. Safaricom limited is a service organization which is a communication company offering call services (pre-pay and post pay network services) money transfers, sim card and air-time production. It is a leading mobile network operator in Kenya, formed in 1997 as a fully owned subsidiary of Telkom Kenya. Safaricom employs over 1500 employees mainly stationed in Nairobi and other big cities in Mombasa, Kisumu, Nakuru and Eldoret in which it manages retail outlets. It currently has nationwide dealership to ensure that all the customers across the nation have access to its products and services. Safaricom boasts of a subscriber’s base of approximately 12 million most of who are in the major cities. Eldoret branch serves part of western Kenya and majority the rift region. The branch deals mainly with phone operators with services ranging from call services, customer care emergencies internet among many promotional services. Safaricom has also teamed up with several companies to develop different services for use by the public ranging from weather updates to market prices and even entertainment services. Safaricom runs electronic cash money transfer service and M- Shwari a mobile banking service. This extension of service provision to its customers makes Safaricom a suitable hub for research in finding out how its product performance helps to retain its customers for the long-term. As much, Safaricom has always led in customer numbers and loyalty focusing on the customer satisfaction they provide their customers.

Recent studies (Djiofack and Keck, 2009; Katt and Condly 2009) have not ignored the importance of impact of many of these factors in spite of the way firms have ignored their intensity on determining high levels of customer satisfaction. However, the issue of quality has been limited in the telecom industry to the extent that it remains ambiguous. To elude this factor, firms have adapted numerous product availability inconsistencies, unveiling differentiated
services in the form of tariffs and ignorance to their network quality. This has prompted a need to research in order to establish the relationship between variables in regard to customer satisfaction.

Customers have an option of getting their services addressed through a customer care call – service 100 or a personal visit to the branch outlet located at Safaricom house, metro towers at the heart of Eldoret town. The study therefore will try to find out the promptness of action to emergencies, the customer relations, and the efficiency of service and the ready access to these products and services they offer. These ensure that customers are satisfied build their trusts on the organization and in-turn are satisfied for a long-term.

1.1 Statement of the Problem

Customer loyalty is a critical consideration that all organizations wish to achieve. Customers want to be enticed and proven to that they get value for their money, organizations will venture into several strategies and techniques to ensure that they trap and retain the customer base for as long as it is possible. In the telecommunication industry which is service oriented, there is need to understand how customer satisfaction in different companies have impacted on the customer and their marketing policy. This keeping in mind that high customer satisfaction is attributed to successful market domination (Djiofack and Keck, 2009). However, it is possible to refer and infer from present market trends that this has not always been a similar occurrence and if it has been, concrete imperial evidence does not exist to support the argument. Companies with better product availability, networks, reliable and cheaper money transfer have not always called the shots in all circumstances (Herrmann et al, 2007). Despite tremendous growth, the mobile services sector has however continued to record an increase in the number of unsatisfied subscribers. According to Communications Commission of Kenya Annual Report (CCK, 2011), the number of formal complaints increased by 70.6% compared to the previous period. The report further acknowledges the fact that the rate of resolution of such complaints remained extremely low.

Organizations find it difficult to balance the these variables and have been entangled at the most obsolete techniques of operations. They therefore have over time tried new strategies to boost
their performance and the study proposes such relevant techniques. The study looked at how product availability, service delivery and quality and network quality was referred under Customer relationship management; achieved this goal. The area of study based on how to formulate proper techniques that customers build their trust and in return ensure customer satisfaction and loyalty is achieved. An understanding of the components that influence loyalty developed a much clearer picture on what marketers and the organization at large will need in enhancing a continuous customer preference. This will help the business to retain their customers and become more profitable.

One of the major variables is customer satisfaction which has the highest correlation with customer loyalty. The other variables however will have realistic significance in influencing customer loyalty within the practical environment.

1.2 Significance of the study

The relevance and the implications of this study cannot be overstated. It comes out openly at an opportune time in the telecommunication service industry to help eradicate or limit the challenges facing its sustainability. On a broad scale, this research is exploratory and descriptive in nature and aims at revealing knowledge in the industry of a unique sense. Its knowledge is intended to advance the existing stock of relevant understanding. As an applied research, this study will help describe, diagnose and capture new knowledge on customer satisfaction. It will be useful to university students, management staff in the telecommunication industry, customer relation staff as well as CCK. Research done by Arora (2007) has proved that managers that use research findings do well than their counterparts who don’t give importance to research in decision making. Managers of the industry are the pack entrusted by their employers to grow businesses to profitability. In order to do this, these managers require knowledge that helps them explain and evaluate, besides conducting effective and efficient customer satisfaction analysis. Management will also require this knowledge for planning in both long term and short term. To deal with low profitability or losses in business ventures, managers will need the findings of this research to diagnose the problems. A manager who resolves customer problems keeps them and obviously the means to doing this is being able to understand their needs and perceptions. The firms need to address the concern of customer dissatisfaction in order for them to unveil a strong
market. The study looked at the factors that promote long term product association. This will help most organizations in developing their agenda of trapping high customer numbers. The study increased the chances of developing a rapid customer loyalty initiative that if successfully adopted will be replicated for the long term. The study researched on the techniques and instruments of product performance. Product availability and quality have been a long-term consideration that enhance customer preference. The study was necessitated by the increasing demand for a long term consumerism by customers. This can only be achieved if the variables of loyalty are viewed at a researchable point of view. Most organizations spend most of their time and resources in building quality. This is every organizational dream however it is highly costly especially in maintaining the quality brand. New organizations start small and with the concept of quality it becomes financially unattainable. The study therefore will generate comprehensive strategic technique systems that will foresee most organizations develop a much more comprehensive technique of developing a business. The study provided a competitive platform for the realization of the concept of performance as a key pillar in the development of an organization in the part of marketing structures and techniques; it will initiate the process of nurturing customers and developing them for the long-term. Due to this implication the research looked at developing the product’s all round competencies and provisions that will boost the products performance in the long-run, this includes developing the variables that constitute the much sort for customer loyalty. Therefore once manufactures have established the determiners of a customer product choice which include the components of customer satisfaction, customer trust, then the long-term loyalty is achievable. The product becomes the determinant of how the relationship between the customer and the product is cemented. Most organizations will find this important in establishing their platform for a product development strategy which comprises the component of customer loyalty. It will benefit the organization; become a platform of growth and stability. Therefore the research intends to provide the parameters necessary for the formulation of a long-term strategy that will keep the business on form. This allows an organization to have a better competitive platform to its competing companies. In the case of influencing more customers, the already sort for customers will be in a better hand to develop a proper customer base by acting as product ambassadors. Since human beings are social in nature the action will be part of them. The research found out what is suitable for marketing techniques
basing on the components of loyalty intended to project a long-term sustainability. The research will afterward project not the positive aspect of employing brand performance techniques as a measure to keep loyalties in the organization. Most organizations define the brand as the major component that they wish customers want to be associated with. They generate a product perspective that is attractive classy and sustainable. They employ personalities with high integrity who are adored and exemplified by most people. These people sale the product brands to the mass followings they have and ensure a positive organizational platform. This research will be useful for customer relations staff. Arora (2007) argues that total customer satisfaction result from understanding of employees on the need to meet and exceed customer needs and expectations. This is more possible in a scenario where the staff responsible for customer satisfaction understand better than anybody else that they are the backbone of continued business growth. CCK will obviously benefit from this research owing to its strong position as supervisor and regulator. It will require the knowledge from this research to understand the dynamics of the industry from the customer perspective. For example, its efforts to control pricing, money transfer minimum charges will take into consideration dynamics of customer satisfaction. In conclusion, the findings of this research will be useful to such groups as college students, managerial staff of the industry, government, CCK and scholars.

1.3 Objectives of the Study

**General objective**
To examine the effect of customer relationship management practices on customer satisfaction

**Specific objectives**
To establish the effects of service quality on customer satisfaction
To examine the effects of product distribution on customer satisfaction
To analyze the effects of network quality on customer satisfaction
1.4 Research hypotheses

**Ho 1.** Service quality has no effect on customer satisfaction

**Ho 2.** Product quality has no effect on customer satisfaction

**Ho 3.** Network quality has no effect on customer satisfaction

1.5 Scope of the Study

The study was carried out at Safaricom Limited Eldoret Branch. It looked at the customers as the major subjects of the study. The study focused on the customer inputs for more technical information. It was confined to the general service provider and it looked at the areas that offer direct service to their customers. Due the tedious procedure experienced, the research procedure took three months; from mid April to mid August 2014.

1.6 limitation of the Study

1. Due to the fast changing technologies in the telecommunication industry, the research findings may not be helpful to new technologies in the future.

2. The study findings may not be replicated to other service sectors or telephone mobile providers.

3. The realization of results by an organization may take some time. Some organizations may be impatient and do away with such research proposal.

1.7 Definition of terms

**Customer Satisfaction** - This refers to the measure of how products and services supplied by a company meet or surpass customer expectation. According to Yi and La (2004), customer satisfaction is defined as: "a person's feelings of pleasure or disappointment resulting from comparing a product's perceived performance (or outcome) in relation to his or her expectations". Satisfaction is an overall customer attitude towards a service provider, or an emotional reaction to the difference between what customers anticipate and what they receive, regarding the fulfillment of some need, goal or desire.
**Customer Loyalty** – This refers to the long term customer preference to a product or service they subscribe to. It means that customers become part of the product and their behaviors are measurable in terms of how long they subscribe to a product or service. The product features should offer a basis for continuous buying once the product has been purchased.

**Service Quality** - This is a broad term that is used in both customer service evaluations and in technological evaluations. In both applications, the quality of service has to do with measuring the incidence of errors within a process that result in the creation of issues for an end user. The goal of any quality of service evaluation is to minimize the incidence of transmission issues and the error rates that may result.

**Customer Relationship Management Practices** - According to Picton and Broderick (2005) CRM is a view that emphasizes the importance of the relationships developed between an organization and its customers. It involves the strategic and tactical management tasks to achieve positive communications and long term customer relationships.
CHAPTER TWO

LITERATURE REVIEW

2.0 The Concept of Customer Satisfaction

Customer satisfaction is one of the most important issues concerning business organization of all types, which is justified by the customer oriented philosophy and the principles of continued improvement in modern enterprise. For the reason, customer satisfaction should be measured and translated into number of measurable parameters. Customer satisfaction measurement may be considered as the most reliable feedback, providing client preferences and experiences in an effective, direct, meaningful and objective ways. Thus, customer satisfaction may be considered as a baseline standard of performance and a possible standard of excellence for any business organization (Gerson, 2003).

Customer satisfaction is a complex construct. It has been defined in various ways (Besterfield, 2004; Barsky, 2005; Kanji and Moura, 2002; Fecikova, 2004). Recently, researchers have argued that there is a distinction between customer satisfaction as related to tangible products and as related to service experiences. This distinction is due to the inherent intangibility and perishable ability of services, as well as the inability to separate production and consumption. Hence, customer satisfaction with services and with goods may derive from, and may be influenced by different factors and therefore should be treated as separate and distinct (Veloutsou et al., 2005).

There are two principal interpretations of satisfaction within the literature of satisfaction; as a process, a satisfaction and as an outcome (Parker and Mathews, 2011). Early concepts of satisfaction research have typically defined satisfaction as a post choice evaluation judgment concerning a specific purchase decision (Oliver, 2010; Churchill and Suprenant, 2002; Bearden and Teel, 2003; Oliver and DeSarbo, 2008). The most widely accepted model, in which satisfaction is a function of disconfirmation, which is a function of both expectations and performance (Oliver, 2007). The disconfirmation paradigm in process theory provide the grounding for the vast majority of satisfaction studies and encompasses four
construct expectation, performance, disconfirmation and satisfaction (Caruana et al., 2010). This model suggests that the effects of expectation are primarily through disconfirmation, but they also have effect of perceived performance on satisfaction (Spreng and Page, 2011). Swan and Comb (2008) view satisfaction as a discrepancy between the observed and desired. This is consistent of value-percept disparity theory (Westbrook and Reilly, 2003) which was developed in response to the problem that consumers could be satisfied by aspects for which expectations never existed. The value-percept theory view satisfaction as an emotional response triggered by a cognitive-evaluation process (Parker and Mathews, 2011). In other words, it is the comparison of the “object” to one’s value rather than an expectation. Customers want a meeting between their values (need and want) and the object of their evaluation. More recently, renewed attention has been focused on the nature of satisfaction emotion, fulfillment and state (Parker and Mathew 2011)

2.1 The concept of Consumer Loyalty

Good consumer relationship management creates customer delight, in turn, delighted customers remain loyal and talk favorably to others about the company and its products Kottler P and Armstrong G. (2010) the loyalty of customers who are less satisfied, somewhat satisfied and completely satisfied can be studied basing on their rate of involvement with the organizational products and services. Customers want to be assured of the services and products they have and thus look for what satisfies them for their long term. A slight drop from complete satisfaction can create an enormous drop in loyalty. Thus, the aim of customer relationship management is to create not just customer satisfaction but also customer delight. Consumers should be treated and subjected to behaviors that encourage their stay in the organization. Such customer satisfaction strategies empower the customer to understand their role in organizational behavior. Companies are thus realizing that dropping a customer preference means losing more than a single sale Kottler P and Keller K (2009)

Maintaining customer loyalty for a long term means that the customers require a variety of special needs and demands, meet their want to prove that the organization they subscribe into can offer them a variety of service which they can access and benefit from, as long as they require
organizations need to satisfy their demand by considering the following techniques; Beyond simply retaining good customers to capture customer’s lifetime value, good customer relationship management can help man-eaters to increase their customer shares. The shares they get of the customers purchasing in their product categories. Telecommunication firms for instance want to increase the ‘share wallet’ supermarkets and restaurant want to get more share of stomach.

To increase share of customer, firms can offer greater variety to current customers or they can create programs to cross see and up sell in order to market more products and services to existing customers. Most customers find confidence in numbers. The higher the consumer numbers organization controls, the higher the likelihood that a new customer will be convinced. Organizations therefore want to brand their organizations as a destination that controls the larger share. They go ahead and implement the ‘first come first serve’ policy to sell the assumption that huge numbers are on the rush.

Amazon.com for instance offers customers music, videos, gifts, toys, consumer electronics, office products, home improvement items, lawn and garden products, apparel and accessories, jewelry tools and even groceries. In addition based on each customer base history, the company recommends related products that might be of interest. This recommendation system may be of influence of up to 230% of all sales Kottler P and Armstrong G. (2010) The variety of share performance to customers increase the variety of what a customer can offer, creating the mindset of a one stop shop. This will imply to them that they will get what they want as long as they want it.

Building customer equity implies that an organization combines all customer lifetime values of all company’s current and potential customer. The more loyal the firms profitable customers the higher the firms customers equity. In trying to band customer’s equity the only value that a company will ever create is the value that comes from customers. Customer’s relationship management takes a long term view. Companies want not only to create profitable customers, but to own them for life, earn greater share of their purchases and capture their customer lifetime value. Customer equity provides that the investment put on customer retention can be easily realized back over a sustainable amount of time. In the 70s and the 80s, Cadillac had some of the
most loyal customer in the industry. To an entire generation of car buyers, the name Cadillac defined American luxury. Its share of the luxury car reached a whopping 51% in 1976 however, Cadillac customers were getting old and average customer lifetime value was falling. Although Cadillac market share was good, its customer’s equity was not. Germans BMW had a much more vigorous and youthful image. This ensured that it was youthful customers with higher customer’s lifetime value. With time BMW’s profits soared while Cadillac’s fortunes eroded. Therefore the market weight in shares is not the answer. We should care not just about the current sales but also about the sustainability and future sales Katherine N. (2005)

Having an equitable market share of consumer interest and preference means that consumers are able to understand their values, meet the loss of what they demand, develop a relational platform to continually have an association with their products. The quality of value that is produced becomes the drive of what the customers desire. Loyalty takes time and resources to perfect. When the loyalty is in demand by the company, they will resort to all techniques that ensure customer preference either in the short term or the long term. Consumers will find an association with their current operational business have a comfortable business interaction and cement their relations with the company.

Relationship between product performance and customer loyalty consumers’ needs and wants are fulfilled through market offerings. This includes a combination of both the products and services information and experiences offered to the market to fulfill a need or a want. This means that a product that is being serviced and offered to the customer should meet the criteria set for satisfaction and offer long term benefits to the customer. Many sellers make the mistake of paying more attention to specific products they offer than to the benefits and experiences produced by these products. Smart sellers look beyond the attributes of the products and services they sell.

Organizations should strive to create a brand for their products and services. This is by concentrating more though emphasis is placed on the product; they trust can only be sustained through continuous innovations and new tactics of operations. The change in product use and quality should be a new breathes to what the consumer deems relevant. This is because every aspect of consumer’s life is bound to change and the consumers will always look for a product or
service that conforms to the new changes. Organizations should be able to understand the consumer’s lifestyle in terms of luxury and basic needs. This means that a product and service should be organized with a blend of all the wishes and desires of a consumer. These are what make the consumer comfortable. Through this, the product can be produced in different varieties that can be chosen from by the various consumers as a fit to their own system.

Consumers like to see everything go their way if what they desire is what they get comfortably. Then they declare it as their comfort zone meaning they will be there to stay as long as it serves their needs. This desire becomes a challenge to the producers since they have to keep with the friends that satisfy the consumers. Developing a brand loyalty in relation to a product should imply that a consumer fears purchasing and consuming a product from another brand which he/she does not trust. This can be measured through methods such as word of mouth publicity, repetitive buying, price sensitivity, customer satisfaction levels. Once the customer satisfaction has been formulated, then a more concrete effort is made in order to develop a brand in the minds of activity undertaken by the brand owner, but the customer alone supplies the add-value dimension of a brand based entirely on the perception they have as to the benefits they might receive from it. Adcock D (2011)

Customers look closely at product after-sale benefit. This means that they gauge the value that the product offers them and rely on them after they acquire them. There are other types of products where repeat purchases is caused by the influence they find on the first purchase. The quality of product is the key determinant it offers customers satisfaction to the product and promotes the customer outlook towards the product. This means that the product will be sought for because of the benefit they offer. Lancaster G (et.al) (2012) the level of exclusive repeat purchases is measured by the loyalty exhibited by a customer with respect to specific brands. Loyalty will represent more than regular purchasing as it can also be seen in positive attitudes towards a brand. The change in product use and quality should be a new breathes to what the consumer deems relevant. This is because every aspect of consumer’s life is bound to change and the consumers will always look for a product or service that conforms to the new changes. Organizations should be able to understand the consumer’s lifestyle in terms of luxury and basic
needs. This means that a product and service should be organized with a blend of all the wishes and desires of a consumer.

The product features should offer a basis for continuous buying once the product has been purchased in some cases, however, the organization can ensure loyalty if they try to avoid limiting the customers purchasing by orders or restricting them to a single brand. This can be achieved by offering a number of similar brands different in appearance, color or design in order for a customer to choose what is comfortable to their use.

2.2 The concept of Customer Relationship Management Practices

According to Picton and Broderick (2005) CRM is a view that emphasizes the importance of the relationships developed between an organization and its customers. It involves the strategic and tactical management tasks to achieve positive communications and long term customer relationships. Berkowits (2006) also defines CRM as the organizations attempt to develop a long term cost effective link with the customer for the benefit of both the customer and the organization. CRM practices include of product distribution and quality, service quality and network quality as the primary factors to be considered effective in enhancing customer satisfaction and leading to customer loyalty.

2.2.1 Relationship between Product Availability and Customer Satisfaction

Lack of access to distribution channels and thus product unavailability is a potential barrier to customer satisfaction. Limited capacity within distribution channels may affect satisfaction of the product/service users. Improved efficiency of product distribution and proper set up of intermediary channel of distribution; provide several benefits to both provider and consumers including: improved efficiency, a better assortment of products, repeat transactions, and easier access to goods as well as customers (Rolnicki, 2006).

Lack of access to distribution channels is an immediate barrier to customer satisfaction. Limited capacity within distribution channels, risk aversion by retailers, and the fixed costs associated
with carrying an additional product result in retailers being reluctant to carry a new provider’s product. Without robust distribution even the best product or service fails (Jean-Jacques, 2008).

Physical distribution, or Place, must integrate with the other 'P's in the marketing mix. In mobile telephony sector, distribution forms a key competency. Distribution affects sales; if it's not available it can't be sold. Rarely do customers wait for mobile telephone products. Further, distribution mode has a direct impact on the business profitability. This affects cost competitiveness as well as profits since margins are squeezed by distribution costs. Delivery thus has an impact in influencing customer satisfaction.

This consideration of a product is the ultimate look that customer’s desire. It combines the qualities of durability and efficiency. It simply applies to the fitness for purpose and use of the product to release the intended result. Once the effectiveness has been realized the customers feel the need for a repeated use especially if the results were the intended. Customers will test a new product several times to determine its reliability, the usage and application. This means that the components that comprise the product such as materials in use or the technology and software drive. However, producing quality is expensive and involving in terms of finance output as well as accuracy in the mix design initially planned for.

A product qualifies to be of quality if it can be effectively applies to perform the intended purpose and yield the required results which is a requirement that most of the customers are constantly in need of. This refers to the value of a product in its market. It is the ability to maintain a product sales ability, the marketing magnitude and preference to the customers. Subhash C. (2001) looks at product development as a concept of product performance. He determines that usually six steps are involved in product developments which include idea placement, screening and evaluation, prototype products, market testing and entry. Organizations will spend varying amount of time on each step. At each step, management must make a go or no. go decision as a product progresses from the first step to the next, it requires a greater commitment of resources.

Ideas are derived from different sources. The principle one being the customer’s consumerism to the products. They provide a lead forward; what they desire from the product /service being
offered. The product performs well if it is accepted and readily available to the convenience of the customers. Ideas therefore are developed basing on the immediate contact of the persons involved. This means that, the customer, employees and the administrative staff have an important contribution that aims at sustaining the product in the market.

Ideas to the product management and performance could also be sought from subsidiary employees and international agencies dealing with the similar field of production. The ideas go through screening. This process selects the most promising one for detailed consideration. It begins by matching the product idea to the general objectives put forth by the points of contact i.e. the customers. This will therefore lead to the resources of both the subsidiary and the parent company including the financial allocation raw materials, past experiences, management skills and patents. This step will foresee the implementation of a choice objective aimed at looking for a better performing product or service for the customer. It provides a base for selecting the most appropriate and likely sort for production component that will satisfy the customer. This includes the implication for the cost, the production and position and the resulting impact projected by the research. This aspect of product performance aims at realizing product ideas that seem feasible. It concerns the total market potential and the demand analysis. This is the point of accounting information such as the fixed cost, the unit variable cost and the likely price to be used to conduct the break even analysis. Once this step has been completed, the organization has to make the go or no go decision. If it is a go, then the idea is given physical shape in the form of a prototype product. This means that the evaluation is a sample pretest procedure that will ascertain the similarity that a product produces. Evaluation therefore is a screen that cements the relationship between the sought for product and the actual product that is expected in reality. This is a sample or model of a product build to test a concept or process or to act as a thing to be replicated. This product is intended to assume the expected product by experimenting on the characteristics if presents with the final product in reality. It contains a number of contexts including the semantics, design, electronics and software programming to be replicated in the final product. The product is put into action by exposing it to the intended purpose. This means that the product performs the function that it is intended to function outside the customer’s access. Testing presents an imagery protection on how the product/service is intended to function at the actual point of service. The product enters the market. This is achieved if the testing is
encouraging and promising. Once the effectiveness has been realized the customers feel the need for a repeated use especially if the results were the intended. Customers will test a new product several times to determine its reliability, the usage and application. This means that the components that comprise the product such as materials in use or the technology and software drive. However, producing quality is expensive and involving in terms of finance output as well as accuracy in the mix design initially planned for.

It can at this point be accessible to the customers for use and application. Customers here will fudge the value of the product and the returns in relation to the money they invested in. They calculate the efficiency and effectiveness of the product, their applications and this demarcate the results they expected in return. There are several entry points to the market. A product launch or placements are some of the points of entry that an organization can adopt. If the customers decide on a product, they consider the factors that facilitate the stability of the product to them. It influences the choice of product and the ability to choose and retain the product.

Entry is stimulated by the flexibility of the consumer base the demand and the consumer durability and extension that the product offers. This is as a result of the past experience that the customer or the social group have been accustomed to Donald S. (2009) Conceptually, the whole procedure appears to be logical and sequentially conceptually. However, a variety of difficulties can arise that may require accepting shortcuts or even omissions of certain processes for example, the marketing test may be rendered difficult for lack of a marketing research firm specializing in market testing in the most organization. Evaluation therefore is a screen that cements the relationship between the sought for product and the actual product that is expected in reality. This is a sample or model of a product build to test a concept or process or to act as a thing to be replicated. This product is intended to assume the expected product by experimenting on the characteristics if presents with the final product in reality. It contains a number of contexts including the semantics, design, electronics and software programming to be replicated in the final product. The product is put into action by exposing it to the intended purpose. This means that the product performs the function that it is intended to function outside the customer’s access. Testing presents an imagery protection on how the product/service is intended to function at the actual point of service. The product performance develops under these procedural
processes by developing a plan that aims at receiving acceptance and long preference and influenced by customers social groups.

2.2.2 The relationship between Service Quality and Customer Satisfaction

This is the comparison with the expectations of both performance and quality. Many researchers have recognized the need to develop measures of service quality. One of the most often used measures is the SERVQUAL based on extensive research in generic determinants of perceived service quality (Parasuraman, Berry et al. 2005; Parasuraman, Berry et al. 2008; Zeithaml, Parasuraman et al. 2010; Parasuraman, Berry et al. 2011; Parasuraman, Berry et al. 2003; Parasuraman, Berry et al. 2004). The SERVQUAL instrument is accepted as standard for assessing various dimensions in service quality (Buttle, 2004). It is a concise multiple-item scale with good reliability and validity that researcher can use to better understand the service expectations and perceptions of consumers and, as a result, improve service (Parasuraman et al., 2008). SERVQUAL was also chosen because it is valuable when it is used periodically to track the service quality trends, and when it is used in conjunction with other forms of service quality measurement (Parasuraman et al., 2005). There are five service quality dimension identified by Parasuraman et al. (2008). All these five dimensions are:

Tangibility which refers to the appearance of physical facilities, equipment, personnel, and communication materials. Include all physical products that are involved in service delivery, and even other customers.

Reliability which refers to ability to perform the promised service dependably and accurately. Service is performed with high accuracy and thoroughness every time.

Responsiveness which refers to willingness to help customers, provide prompt service and how fast the service is provided.

Assurance referring to the knowledge and courtesy of employees and their ability to convey trust and confidence.

Empathy referring to how the firm provides care and individualized attention to its customers.
While being widely applied, the SERVQUAL model has also received criticism for not including prices in the assessment or for the inclusion of expectations as a variable in measuring service quality (Boulding, Kalra et al. 2003) Perhaps the most often heard criticism pertains to the lack of a clear link between satisfaction and perceived service quality identified by some research (Duffy and Ketchard 2008) An alternative model (SERVPERF) was later developed for these reasons, based on the findings that service quality does not depend on expectations and can be directly measured by simple performance based measures of service quality (Cronin and Taylor 2004)

According to Molina and Estaben (2007), price fairness and customer satisfaction have a relationship that varies based on product type. According to Stanton, Michael and Bruce (1994) price (tariff) is defined as the amount of money or goods needed to acquire some combination of other goods and it’s a companying services. Price (tariff) is the amount of money charged for a product or service. Kotler and Armstrong (2010) defines price as the sum of the values that customers exchange for the benefits of having or using the product or service. From a marketing perspective, researchers have established a tendency towards price fairness in relation to customer satisfaction (Martin-Consuegra, Molina and Esteban, 2007). Price fairness refers to consumers’ assessments of whether a seller’s price is justifiable or acceptable (Xia and Monroe, 2007). Price fairness is a very important issue that leads toward satisfaction. Charging fair price helps to develop customer satisfaction and loyalty. Research has shown that customer’s decision to accept particular price has a direct bearing at satisfaction level and loyalty indirectly (Martin-Consuegra, Molina & Esteban, 2007).

According to Lommeruda and Sørgard (2003), telecommunication services are not price sensitive all the time and more often brand loyalty takes preference. Whereas the outline literature shows a possible link between price fairness with customer satisfaction, it is apparent that the tariffs in telecommunication sector may not have a direct impact on the satisfaction level. The study will thus seek to evaluate the relationship between price tariffs and customer satisfaction in Kenya’s mobile telecom sector.

When a customer recognizes quality, it is reflected in customer satisfaction. In the web environment, the web (user interface) can be regarded as a service and user as customer. They
brows, or surf the internet, access, retrieve and share information interact with other over the internet, order product or trade stock and obtain entertainment. The quality of this service plays a greater role than the quality of service to customer in other sector, such as hospital or hotels, or the customer service of a bookstore.

First, customers of traditional service usually experience the service quality after they have committed to the organizations. In the case of the web, users experience the service quality first, then decide whether to commit.

Second, since there is no face to face human interaction in the web environment, and service adjustments based on verbal and non verbal cues are not evidence. Thus the design of the website is crucial importance in delivering service (Neilsen, 2010). Ishikwa (2010) recognize the importance of customer satisfaction and dividend quality into two categories of backward looking and forward looking. The former refers to non conformance, defects, flaws, deficiency, and rework of which absence is absolutely requested, and their existence result on customer dissatisfaction. On the other hand, selling point and characteristics of product such as ease of use and excellence design that makes it superior to the other company offerings. According to Ishikwa, fulfillment of this quality element provides positive customer satisfaction, although the quality is also acceptable.

Delivering quality to customer in a competitive marketplace like the telecommunications industry dictates the need to continually enhance a customer’s experience and satisfaction. According to Schneider and Bowen (2009), In general terms, most customers’ range from being moderately dissatisfied to moderately satisfied. Satisfaction can be considered at two levels: the transaction or encounter level and overall satisfaction (Bitner and Hubbert, 2004). Initially, Cronin and Taylor (1992) hypothesized that satisfaction is an antecedent of service quality. However, their research with a multi-industry sample showed in a LISREL analysis is an opposite relationship.

Quality appears to be only one of the service factors contributing to the customer's satisfaction judgments (Cronin and Taylor, 2012). Spreng and Mackoy (2006), who test a modified version of a model proposed by Oliver (2003) that sought to integrate the satisfaction
and service quality literature, also provide support for service quality as being an antecedent to satisfaction. More recently, this relationship has also been confirmed from a study in a health-care setting by Deruyter et al. (2007), who also show that service quality should be treated as an antecedent of service satisfaction. Iacobucci et al. (2005) conclude that the key difference between service quality and customer satisfaction is that quality relates to managerial delivery of the service while satisfaction reflects customer’s expectations with that service. They argue that quality improvements that are not based on customer needs will not lead to improved customer satisfaction.

Service quality allows the organization to offer the correct sample of the product that is going to serve the expectations of the customer. A business with a high service quality will meet customer needs while remaining economically competitive; this will lead to an increased economic competitiveness. Service quality is achieved through an understanding and an improvement of operational processes through a quick and a systematic performance measurements of product outcome and satisfaction. Service quality can be related to service potential for example the workers qualifications. This implies that the quickness of service and the results of service will directly relate to customer satisfaction and loyalty. The dimensions of service quality can be judged by factors such as recommendations, personal needs and past experiences. The service quality model or the Gap model developed by a group of authors Parasuraman, Zelthamal and Berry at Texas and North Carolina in 2005 highlights the main requirements for delivering a high service quality. It identifies 5 gaps that cause unsuccessful delivery. They include reliability, responsiveness, competence access courtesy, communication, credibility and security. This will majorly revolve around understanding the customer and the tangibles.

2.2.3 The relationship between Network Quality and Customer Satisfaction

Provision of a reliable service which can satisfy customers, is critical for retaining customers and a tool to protect organizations from customer churn (Brown and Gulycz, 2011). The relationship between service quality and customer satisfaction is somewhat reciprocal. Previous research on this relationship can be divided into two schools of thoughts, one considers a satisfied customer perceived highly about service quality (Brown and Gulycz, 2001), and on the contrary the other argues that service quality leads to customer satisfaction (Antreas and Opoulos, 2003; Cronin &
Taylor, 2012; Spreng and MacKoy, 2006). Nevertheless both schools agree that there is a strong correlation between customer satisfaction and service quality.

Availability, reliability and stability of the network are key in customer satisfaction. Equally, the extent of signal coverage is an important determinant in customer loyalty. Network coverage covers several alternatives depending on the magnitude and extent of services offered. These include post pay and prepay services that can be subscribed into as a range of customer preference. With the onset of money transfer services, real time delivery of transactional messages are now essential. To this extent, measurement of customer satisfaction in relation to network performance is important. SERVQUAL model developed by Parasuraman et al (2008) suggested that there is a difference between customer satisfaction and the provider’s actual service performance.

Delivering a service performance, which can satisfy customers, is critical for retaining customers and a tool to protect organizations from customer churn (Brown & Gulycz, 2011). Marketing scholars and practitioners equally emphasize on the issue of customer satisfaction or generating loyalty among customers, which helps in maintaining existing cash flows and guarantee stable future (Teas, 2004; Zeithaml et al., 2006). While the manufacturing sector is concerned with the repurchase, most of the services depend on the continuity and thus focus on customer retention (Anderson et al 2004). In an environment with reduced calling rates such as Kenyan markets, customer satisfaction has now become vital.

2.3 Customer Behavior Theories

2.3.1 The Servqual Model

This is a service quality model highlights the main components of high quality service. It identifies the elements of reliability, assurance, tangibles, empathy and responsiveness. Businesses use this model to measure and manage service quality and a measure of both the customer expectations of a service quality. When a customer’s expectations are greater than their perceptions of received deliveries, service quality is deemed low.
In addition to being a measurement model, SERVQUAL authors identified 5 gaps that may cause customers to experience poor service delivery. They include; a gap between consumer expectations and management perception, a gap between management perception and service quality specification, a gap between service quality specification and service delivery, a gap between service delivery and external communication and a gap between expected service and experienced service.

2.4 CONCEPTUAL FRAMEWORK

![Conceptual Framework Diagram]

Source: Researcher 2013

TABLE 2.1

Customers look out for specific attributes of a product in order to be satisfied that the product or service serves their purpose well. The framework above conceptualizes the product availability, service quality and Network quality as the independent variable while customer satisfaction as the dependent variable, this means that for a customer to be satisfied, they have to look at the product availability and quality, service quality and Network quality comprising the product design, product performance, network innovation and quality outreach and the market reach.
These variables define what products uphold and are a driving force towards what customers consider the comfort product they desire.
CHAPTER THREE

RESEARCH METHODOLOGY

3.0 The research design
The study was conducted using a survey research design. Explanatory research was used for this study. According to Gay (2010), explanatory research involves collecting data in order to test hypothesis or to answer questions concerning the current status of the subject of the study. It is economical and convenient for the study of this nature. Babbie (2011) states that explanatory research explains causal relationship between cause and effect of a phenomenon; It aims at explaining causal relationship between variables. Kothari (2007) poses the explanatory research method as an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used.

This provided the parameters that investigated the general perception of customer preference as well as the specific customer preferences. The study used a survey design that was relevant as it allowed for a longer study on customer behaviors and their behavior change as they may change and hence make relevant and informed decisions towards the study.

3.1 The Target population
Burns and Groove (1997) argued a target population as the entire aggregation of respondents that meets designated set of criteria. The target population of this study was the mobile phone subscribers getting services from Safaricom Eldoret branch. This research study had a sample size of 384 respondents who were mobile phone subscribers. The town has a high consumer base of telecommunication industry, has a diverse population, views and cultures. All individuals above eighteen years and using mobile telephone services in the city were considered to possess characteristics of the sample and met the criteria of selection. The study excluded individuals below eighteen years on the ground that they were not within the legal age for subscribing to
telecommunications services. In addition, the study excluded the deaf/dumb as they do not benefit a great deal from the services of these firms.

The customer numbers are normally high and the study based on a sample from the general population. However the research studied a population of 200 customers.

3.2 The Sampling Design

A sample according to Kothari (2007) is a subset of a population being studied. It represents the larger population and is used to draw inferences about the universe. Sampling is a technique in wide use in behavioral science to gather information without suffering the hurdles of a census which is costly, time consuming and used by states since they are deemed to poses enough resources to do so.

The sampling design adapted for the sake of this study is cluster sampling. The study needed visiting the customer service center in Eldoret. From the customers who visited weekly, they were requested to participate in the survey and issued with a questionnaire at the end of their visit. This placed in mind that the consumers were clustered in accordance to the service provider they visited. The cluster sampling method is a technique in which consumers were divided into their specific service provider groups and then randomly selected proportionally from the different strata. The need to do this was to highlight specific factors, deemed imperative by the subscribers to achieve high customer satisfaction and to evade biases emanating from customer’s attitude of alternative service providers.

Use of cluster sampling design is justified by the fact that views, areas and attitudes were captured. Being a probabilistic technique, advantages of this method such as representativeness and ability to generalize on the population are advantages of this design adapted by the study (Kothari, 2007).

This method also requires smaller sample size which in turn can save money, time and effort of the researcher. It also has been proved to have higher statistical precision compared to random samplings a matter of fact that variability within the strata is lower in comparison to the variation of dealing with the universe.
3.3 Data Collection

3.3.1 Type and Sources of Data
The study collected both primary and secondary data. Primary data was collected using a questionnaire where the researcher administered a questionnaire personally to the respondents. The information collected was obtained one on one and through a time limit for the respondents to fill in the required questionnaire. Through this the researcher observed the behaviors of customers as well as get the desired responses on a one to one basis. Secondary data was obtained from annual reports of the company after consultation to authorize the collection of the information. Through this the relevant data desired was sourced to the satisfaction of the researcher.

3.3.2 Data Collection Instrument
This study utilized a semi structured questionnaire for primary data collection. The structured questions were used in an effort to conserve time and money as well as to facilitate easier analysis as they were in immediate usable form; while the unstructured questions were used so as to encourage the respondent to give an in-depth and felt response without feeling held back in revealing any information. The questionnaire to be designed in this study comprised of two sections. The first part includes the demographic and operational characteristics designed to determine fundamental issues including the demographic characteristics of the respondent while the second part deals with the study variables.

3.3.3 Data Collection Procedure
This study collected quantitative data using a self-administered questionnaire. The researcher provided the questionnaires physically at the respondent’s convenience. Nevertheless, where it proved difficult for the respondents to complete the questionnaires immediately, the researcher left the questionnaires with the respondents and picked them up after. Each questionnaire was coded and only the researcher knew which person responded.
The coding technique was used for the purpose of matching returned, completed questionnaires with those that were delivered to the respondents. The structured questionnaire was used as the main tool for collecting data for the study.

The research was self-administered by the researcher to all respondents sampled for the study.

### 3.4 Ethical Consideration

According to Cooper et. al (2011) ethics in research are the norms or standards of behavior that guide the moral choices about researchers. The behaviors or ethics in this research; were to ensure that no one suffered adverse consequences from the research activities, taking cognizance of the fact that the researcher designed the study so that the respondents would not suffer physical or mental harm, discomfort, victimization, pain, embarrassment or loss of privacy. This safeguarded the procedure through the following attempts.

- Explaining to the participants the benefits expected from the research.
- The participants were made to understand their rights and assured that their well-being would be adequately protected by maintaining confidentiality and anonymity.
- Informed consent was sought from the respondents before they filled the questionnaires or attempted to the recorded form of interviews.
- The respondent’s opinions and wish for a withdrawal from the research procedure was respected.

### 3.5 Reliability and Validity

Validity refers to the degree in which the results obtained from data analysis actually represent the phenomenon under study. This means that the data collected and surveyed should represent the actual performance.

According to Kothari (2010) validity indicated the degree to which an instrument measures what is supposed to measure reliability on the other hand is a measure of the degree to which an instrument yields consistent data after repeated results. Mugenda and Mugenda (2009) states that once a procedure has been done before and is repeated the results should comply with each other.
Reliability drove the research since there was accuracy and the intention to produce similar results after several attempts. It became a platform for accuracy and consideration to the whole research process.

In order to improve the validity and reliability of the questionnaire a pilot study was carried out with at least 10 questionnaires and assistance was sought from the supervisor to ensure that the questionnaires captured all the information required. Reliability and validity ensured that the research itself was reliable and valid.

A pilot study was carried out to determine reliability of the questionnaires. The pilot study involved the sampled mobile phone subscribers. Reliability analysis was subsequently done using Cronbach’s Alpha which measures the internal consistency by establishing if certain item within a scale measures the same construct.

Klien (2009) notes that the accepted alpha value is 0.7, thus forming the study’s benchmark. Cronbach Alpha was established for every objective which formed a scale. The table shows that network quality had the highest reliability ($\alpha=0.826$), followed by competitive pricing ($\alpha=0.803$), followed by customer Service quality($\alpha=0.743$) and distribution ($\alpha=0.701$). This illustrates that all the three variables were reliable as their reliability values exceeded the prescribed threshold of 0.7.

**Table 3.1: Reliability Analysis**

<table>
<thead>
<tr>
<th></th>
<th>Cronbach's Alpha</th>
<th>Number of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Network quality</td>
<td>0.826</td>
<td>9</td>
</tr>
<tr>
<td>Product availability</td>
<td>0.701</td>
<td>10</td>
</tr>
<tr>
<td>Customer Service quality</td>
<td>0.743</td>
<td>17</td>
</tr>
</tbody>
</table>
3.6 Data Analysis and Presentation

Data analysis is the cleaning, inspection and processing of collected data into information. For the purpose of using the same to test hypothesis and create knowledge. Before processing the responses, the completed questionnaires were edited for completeness and consistency. Questionnaires after completion were ordered, categorized using statistical packages such as SPSS. This did well for those closed ended questions. Use of SPSS made it easier, less costly and time saving. The quantitative data collected was analyzed by descriptive analysis such as frequency, percentages, mean and standard deviation. Tables and figures were used to summarize responses for further analysis and facilitate comparison. The study used Karl Pearson’s product moment correlation analysis to check for multi co linearity. In addition, the researcher conducted a multiple regression analysis so as to determine the effects of each of the three variables on customer satisfaction. The regression equation was:

\[ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon \]

Where: \( Y = \) Customer Satisfaction level
\( \beta_0 = \) Constant
\( \beta_1, \beta_2, \) and \( \beta_3 = \) Coefficient of Determination

\( X_1 = \) Network quality

\( X_2 = \) service quality

\( X_3 = \) Product availability

\( \varepsilon = \) Error Term
CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION OF FINDINGS

4.0 Response rate
This research study had a sample size of 384 respondents who were mobile phone subscribers. Out of this sample size 200 questionnaires were filled and returned to the researcher which represents a sample size of 52.08% response rate. The response rate was adequate for this analysis and conforms to Babbie (2002) stipulation that any response of 50% and above is adequate for analysis.

4.1 Demographic Information
Level of education

According to the findings, 40.3% of the respondents indicated that they had a diploma/HND and a degree, respectively, 14.7% of the respondents indicated that they had other college education while 4.7% of the respondents indicated that they had a postgraduate/PhD. These results mean that the respondents that were met were fairly represented and a variety of the responses could as well be largely represented. The level of education is a major contribution to the consumerism level of the service industry as shown in table 4.2.

Table 4.1: Level of education

<table>
<thead>
<tr>
<th>Level of Education</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>diploma/hnd</td>
<td>75</td>
<td>40.3</td>
</tr>
<tr>
<td>Degree</td>
<td>75</td>
<td>40.3</td>
</tr>
<tr>
<td>postgraduate/phd</td>
<td>11</td>
<td>4.7</td>
</tr>
<tr>
<td>other college education</td>
<td>39</td>
<td>14.7</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Age bracket

According to the findings, 64.5% of the respondents were aged between 21-30 years, 21.9% of the respondents were aged between 31-40 years, 8.9% of the respondents were aged between 41 years and above while 4.7% of the respondents were aged below 20 years. This reflects to the situation of accessibility to the services in the telecommunication industry in Kenya at large. This means that a large number of consumers range between the mid ages and are mostly the youth. In this regard, the research deduced that the weight of satisfaction that has to be pumped into the industry should be channeled to the overall benefit of the youth. This means that technological advancement in service delivery, proper communication choices has to be implemented. As respondents get aged, the percentage of accessibility reduces as well, this, the researcher deduced to be resulted from the rate of illiteracy affecting the aged generation. On the other hand, the youngest sample had the lowest percentage of accessibility of 4.7% and it was found to be resulting from the low economic strengths to afford the telecommunication services. This was summarized in table 4.3 below.

Table 4.2: Age bracket

<table>
<thead>
<tr>
<th>Age Bracket</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>below 20 years</td>
<td>11</td>
<td>4.7</td>
</tr>
<tr>
<td>21-30</td>
<td>118</td>
<td>64.5</td>
</tr>
<tr>
<td>31-40</td>
<td>58</td>
<td>21.9</td>
</tr>
<tr>
<td>41 years and above</td>
<td>13</td>
<td>8.9</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4.2 Mobile Services Package Plan Subscribed to

From the findings, 51% of the respondents indicated that they had subscribed to prepay mobile service package while 49% of the respondents indicated that they had subscribed to post pay
mobile service package. The researcher deduced that the high number of prepay subscription was caused due to the lack of ignorance to the benefits that the post pay subscription offers. However, the researcher realized that the cost of a large number of prepay subscribers exceeded the monthly costing spend by the post pay subscribers. Most prepay subscribers believe that the post pay package belongs to the working class of the society who can comfortably afford it. The researcher performed a random check and however realized that most prepay subscribers used the subscription only at convenience hence there was an understanding that the monthly post pay subscription amounts to wastage to willing customers. This finding was summarized in the table below.

Table 4.3: Mobile Services Package Plan Subscribed to

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepay</td>
<td>102</td>
<td>51.0</td>
</tr>
<tr>
<td>Postpay</td>
<td>98</td>
<td>49.0</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4.2.1 Period of Usage of Mobile Telephone Operators

From the findings, 75.1% of the respondents had used services of mobile telephone operators for more than three years, 13.6% of the respondents had used services of mobile telephone operators for less than three years while 11.3% of the respondents had used services of mobile telephone operators for less than one years. The low percentage of less than one year means that the level of entry to the telecommunication industry is low and slow. The researcher deduced that this was caused by the already existence in the system by most customers. Most customers are more than 3 years old in the system. This means that the industry is more mature and stabilized. The researcher further deduced that the further degeneration and slow entry into the service was caused by a tough competition in the market that split the entering customers. Most competing companies offer better terms and rates which has contributed mainly to the drop in consumerism and diverted of attention to the better affordable terms of the competitors. The researcher further deduced that the customers who have enjoyed the service for less than 3 years are in the process
of weighing the market. Some of them will remain loyal while others will drop if the services are not satisfying. The results of this finding have been summarized in table 4.5 below.

Table 4.4: Period of Usage of Mobile Telephone Operators

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>less than one year</td>
<td>18</td>
</tr>
<tr>
<td>less than three years</td>
<td>36</td>
</tr>
<tr>
<td>more than three years</td>
<td>146</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
</tr>
</tbody>
</table>

4.2.2 Level of Satisfaction with the following aspects of mobile calling tariffs components

According to the findings, the respondents indicated that they were satisfied with the mobile payment services charges and offering a plan that provides a good value for the money spent as shown by a mean score of 3.70 respectively, the respondents indicated that they were slightly satisfied with the provision of a price plan that met their particular needs, data tariff rates (Bundles), across network calling rates, variation between Peak and Off Peak hour rates, voice calling rates and international calling rates as shown by a mean score of 3.30, 2.94, 2.90, 2.83 and 2.82 respectively. These services that are offered ranged adversely in terms of the satisfaction levels that different customers required. However, the level of satisfaction of costing and charges that the customers received from the firm failed to satisfy most of them. The international costing for example was too high for most of them to afford. This afforded a lower mean to show that their dissatisfaction was present. The rates of across network calls were out of reach as well. This, the customers imagined to be caused by business enemity between the telecommunication firms. The high level competition and desire to rule the market was some of the devised causes of inter firm price hiking. Most customers were however comfortable with the
mobile call package cost of payment services. The mobile costing charges hit the benchmark set by other competitors on their package plan as well coupled with the fact that the regulatory commission CCK had a benchmark for all consumer price ratings across the networks. A higher percentage of Customers also concluded that the price plan was flexible to afford their needs. This therefore translated to the higher mean realized for the customers who thought the services reflected and were favorable and provided a good value for their money. This is summarized in table 4.6 below.

Table 4.5: Level of Satisfaction with the Following Aspects of Mobile Calling Tariffs Components

<table>
<thead>
<tr>
<th>Components</th>
<th>Mean</th>
<th>Stdev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data tariff rates (Bundles)</td>
<td>2.94</td>
<td>1.393</td>
</tr>
<tr>
<td>Voice calling rates</td>
<td>2.82</td>
<td>1.425</td>
</tr>
<tr>
<td>Variation between Peak and Off Peak hour rates</td>
<td>2.83</td>
<td>1.343</td>
</tr>
<tr>
<td>International calling rates</td>
<td>2.82</td>
<td>1.333</td>
</tr>
<tr>
<td>Across network calling rates</td>
<td>2.90</td>
<td>1.315</td>
</tr>
<tr>
<td>Mobile payment services charges</td>
<td>3.70</td>
<td>.962</td>
</tr>
<tr>
<td>Providing a price plan that meets your particular needs</td>
<td>3.30</td>
<td>1.202</td>
</tr>
<tr>
<td>Offering a plan that provides a good value for the money spent</td>
<td>3.70</td>
<td>.542</td>
</tr>
</tbody>
</table>
4.3 Influence of Network

4.3.1 Whether Services are Easily Available

From the findings, 69.1% of the respondents indicated that the services required (airtime, lines, money transfer, etc.) were available. 24.5% of the respondents indicated that the services required (airtime, lines, money transfer, etc.) were not always available while 2.3% of the respondents indicated that the services required (airtime, lines, money transfer, etc.) were not available. The availability of these services reflected the concentration of the services that the firm has invested. This concentration should reflect how the firm considers promoting and lifting the network of the area of study. To this realization respondents believe that the services offered were abundant and that reflected on the urge to provide clearer and most efficient network to serve them along. This concurs with Brown and Gulycz, (2001) argues that provision of a reliable service which can satisfy customers, is critical for retaining customers and a tool to protect organizations from customer churn. The consumers believe that the network quality is effective and reliable in their jurisdiction. The consumers who believe that the network offered was not reliable at all attributed the fact to their remoteness and distance from the boosters. However the general perception from the customers was varied with a small percentage (6%) claiming that the inaccessibility arose from poor calculation of network coverage range. The summary has been presented in the table 4.7 below.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>not available</td>
<td>6</td>
<td>2.3</td>
</tr>
<tr>
<td>not always available</td>
<td>64</td>
<td>24.5</td>
</tr>
<tr>
<td>Available</td>
<td>130</td>
<td>69.1</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 4.6: Whether Services are Easily Available
4.4.2 Level of Satisfaction With the Following Network Aspects Effect in the Mobile Telephony

According to the findings, the respondents indicated that they were slightly satisfied with call quality, delivery of messages/Money transfer, network coverage, ease of connection to other networks, money transfer service access, network access (congestion), good connection internationally and Good Internet Services: internet is fast and reliable as shown by a mean score of 3.46, 3.42, 3.40, 3.30, 3.14, 3.13, 3.12 and 3.02 respectively. Due to this factor, it was deduced that customers require better quality of network especially at remote areas where most of them reside. The calls made mostly experienced congestion mainly at peak times or during offers. The customers felt that there were no mechanisms to reduce the high desires to make calls by other customers. The delivery of messages was prompt but varying with the network availability. However, the telecommunication firm offers free subscriptions to messages and bundles that promote the messaging services. This concurs with Rolnicki, (2006) who postulates that lack of access to distribution channels and thus product unavailability is a potential barrier to customer satisfaction. This however failed the consistency test. The money transfer services which is the most common service in use by the customers were appreciated by the respondents but still claimed the transfer charges were still high. The level of agreement was therefore altered. Customers were also quick to note that the ease of connection to other services still proved a challenge with lack of clarity especially to the immediate competitor. Network connection a major tool accessing other subscribers therefore needed improvement. In terms of international connection, a mean of 3.12 was low meaning that there existed a challenge when connecting to friends and relatives in the Diaspora. The connection endures some delay and the clarity of connection is poor. The customers however appreciated the adequate access to specific few countries however limited. The findings have been summarized in table 4.4 below.
Table 4.7: Level of Satisfaction with the Following Network Aspects Affect in the Mobile Telephony

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Mean</th>
<th>Stdev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Network Coverage</td>
<td>3.40</td>
<td>1.096</td>
</tr>
<tr>
<td>Call quality</td>
<td>3.46</td>
<td>1.062</td>
</tr>
<tr>
<td>Network access (congestion)</td>
<td>3.13</td>
<td>1.193</td>
</tr>
<tr>
<td>Money transfer service access</td>
<td>3.14</td>
<td>1.305</td>
</tr>
<tr>
<td>Delivery of messages/Money transfer</td>
<td>3.42</td>
<td>1.142</td>
</tr>
<tr>
<td>Ease of connection to other networks</td>
<td>3.30</td>
<td>1.014</td>
</tr>
<tr>
<td>Good Internet Services: Internet is fast and reliable</td>
<td>3.02</td>
<td>1.425</td>
</tr>
<tr>
<td>Good connection internationally</td>
<td>3.12</td>
<td>1.234</td>
</tr>
</tbody>
</table>

4.4 Influence of Distribution (product availability)

4.4.1 Whether Distribution Outlets for Products are Available

From the findings, 64.5% of the respondents indicated that the distribution outlets for products (airtime, SIM cards, money transfer, …) were available, 33.5% of the respondents indicated that the distribution outlets for products (airtime, SIM cards, money transfer, …) were available but far away while 1.8% of the respondents indicated that the distribution outlets for products (airtime, SIM cards, money transfer, …) were not available. This finding deduced that products that the firm offers were readily available for the majority of customers this lead to 64.5 of the respondents accepting that the services were readily available. However, 1.8% denied the ease of access to the products and what the researcher found out from the respondents is that as much as money transfer services, credit cards and airtimeas were spread, the business has not been adopted to its satisfaction especially at the remote areas where the returns are limited. Without
robust distribution even the best product or service fails (Jean-Jacques, 2008). This was seconded by 33.5\% who noted that due to this fact, the products and service were available but far away. This made the researcher explore the market and realized that the customer care centres are only found in major towns only. The findings have been summarized in table 4.5 below.

Table 4.8: Whether Distribution Outlets for Products are Available

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>not available</td>
<td>3</td>
<td>1.8</td>
</tr>
<tr>
<td>available but far away</td>
<td>57</td>
<td>33.5</td>
</tr>
<tr>
<td>Available</td>
<td>140</td>
<td>64.5</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100.0</td>
</tr>
</tbody>
</table>

### 4.4.2 Level of Satisfaction with Availability of the Following Products in Mobile Telephony

According to the findings, the respondents were satisfied with the ability of the mobile telephony to look for new and better ways to serving them and the ease of topping up with units/credit purchased as shown by a mean score of 3.91 respectively. The respondents were also satisfied with the ease of access to air time top up distribution channels, flexibility in available denominations of airtime and consistency in availability of air time & related services as shown by a mean score of 3.78 respectively. The respondents were also satisfied with the availability of airtime at the outlets whenever they wanted to buy and the ease of finding an outlet selling SIM cards as shown by a mean score of 3.61 respectively. This is in line with Jean-Jacques, (2008) who argues that lack of access to distribution channels is an immediate barrier to customer satisfaction. Due to this fact the respondents had a belief that the accessibility of the products was favorable in relation to other competitors. The respondents were slightly satisfied with the ease of finding an agent and the ease of registering a line/activation process (making SIM ready to use) as shown by a mean score of 3.40 and 3.31 respectively. These ease
allowed most of the respondents to have confidence of accessing these services whenever possible at any time.

Table 4.9: Level Of Satisfaction With Availability of The Following Products in Mobile Telephony

<table>
<thead>
<tr>
<th>Product</th>
<th>Mean</th>
<th>Stdev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ease of access to air time top up distribution channels</td>
<td>3.78</td>
<td>1.040</td>
</tr>
<tr>
<td>Flexibility in available denominations of airtime</td>
<td>3.78</td>
<td>1.173</td>
</tr>
<tr>
<td>Consistency in availability of air time &amp; related services</td>
<td>3.78</td>
<td>1.029</td>
</tr>
<tr>
<td>Ability to look for new and better ways to serving you</td>
<td>3.91</td>
<td>1.22</td>
</tr>
<tr>
<td>Ease of topping up with units/credit purchased</td>
<td>3.91</td>
<td>1.026</td>
</tr>
<tr>
<td>Availability of airtime at the outlets whenever you want to buy</td>
<td>3.61</td>
<td>1.34</td>
</tr>
<tr>
<td>Ease of finding an outlet selling SIM cards</td>
<td>3.61</td>
<td>1.055</td>
</tr>
<tr>
<td>Ease of finding an agent</td>
<td>3.40</td>
<td>1.229</td>
</tr>
<tr>
<td>Ease of registering your line/Activation process (making your SIM ready to use)</td>
<td>3.31</td>
<td>1.447</td>
</tr>
</tbody>
</table>

4.5 Influence of service quality

4.5.1 Whether service channels Help

According to the findings, 61.5% of the respondents indicated that customer service channels (shops, call center, email, and social network) helped them whenever they needed. 34.6% % of the respondents indicated that customer service channels (shops, call center, email, and social network) sometimes helped them whenever they needed while 3% % of the respondents indicated
that customer service channels (shops, call center, email, and social network) never helped them whenever they needed. Due to this statistics the researcher deduced that a high percentage appreciated the services offered especially at the customer care desks. Based on Parasuraman (2008) service quality model, customer satisfaction is not necessarily linked directly with the provider’s actual service performance. However, they decried the long lines experienced during the service provision. Some customers however alluded to the fact that the services never helped them at all. The researcher was critical to note that these are the consumers who visited the customer center a few times. Some of these consumers never got prompt services owing to the fact that their pleas needed the attention of the main office in Nairobi and this required extra times. A 34.6 percentage agreement was achieved from the customers who claimed that the times they have visited the customer care center they have had more chances of disappointment than satisfaction. Some however claimed that some services sought out personally were dealt with promptly while the services issued online such as emails were not responded to with the speed they required. The findings have been summarized in table 4.7 below.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Never</td>
<td>9</td>
<td>3.0</td>
</tr>
<tr>
<td>Sometimes</td>
<td>81</td>
<td>34.6</td>
</tr>
<tr>
<td>Yes</td>
<td>110</td>
<td>61.5</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100.0</td>
</tr>
</tbody>
</table>

### Table 4.10: Whether customer service channels Help

#### 4.5.2 Level of Satisfaction With the Following Aspects of Ease of Access to Customer Service in The Mobile Telephony

From the findings, the respondents indicated that they were satisfied with simplicity in communication of new products & services, staff follow-through on promises and how involved and interested in their problem the staff were as shown by a mean score of 3.53 respectively, the respondents indicated that they were satisfied with courtesy by customer service staff, neatness
and professionalism of staff in appearance and ease of making electronic credit transfers as shown by a mean score of 3.52 respectively, the respondents indicated that they were satisfied with the appropriate choice of the advertisement mode and language as shown by a mean score of 3.51. The respondents further indicated that they were slightly satisfied with the confidence instilled in customers by staff as shown by a mean score of 3.43. The respondents indicated that they were slightly satisfied with the ability to perform the promised service accurately and dependably and understand exactly what the customer needs as shown by a mean score of 3.15 respectively, the respondents indicated that they were slightly satisfied with prompt service to customers, advance notification of planned activities and making customers feel safe in transactions as shown by a mean score of 2.94, 2.78, 2.69 respectively. Arora (2007) argued that quality, simplicity and reliability are factors that lead to high customer satisfaction. Arora postulated quality as a composite of many factors such as technology, information and supplier mechanism, flexibility and timing. The respondents indicated that they were dissatisfied with the personalized attention to customers by staff and visual appeal of the customer service facilities as shown by a mean score of 2.10 respectively. The findings have been summarized in table 4.8 below.
Table 4.11: Level of Satisfaction With the Following Aspects of Ease of Access to Customer Service in The Mobile Telephony

<table>
<thead>
<tr>
<th>Description</th>
<th>Mean</th>
<th>Stdev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriate choice of the advertisement mode and language</td>
<td>3.51</td>
<td>1.436</td>
</tr>
<tr>
<td>Ease of access to customer service</td>
<td>2.52</td>
<td>.567</td>
</tr>
<tr>
<td>Simplicity in communication of new products &amp; services</td>
<td>3.53</td>
<td>1.175</td>
</tr>
<tr>
<td>Courtesy by customer service staff</td>
<td>3.52</td>
<td>1.234</td>
</tr>
<tr>
<td>Advance notification of planned activities</td>
<td>2.78</td>
<td>1.243</td>
</tr>
<tr>
<td>Ability to perform the promised service accurately and dependably</td>
<td>3.15</td>
<td>1.128</td>
</tr>
<tr>
<td>Prompt service to customers</td>
<td>2.94</td>
<td>1.141</td>
</tr>
<tr>
<td>Understand exactly what the customer needs</td>
<td>3.15</td>
<td>1.241</td>
</tr>
<tr>
<td>Confidence instilled in customers by staff</td>
<td>3.43</td>
<td>1.128</td>
</tr>
<tr>
<td>Making customers feel safe in transactions</td>
<td>2.69</td>
<td>.577</td>
</tr>
<tr>
<td>Personalized attention to customers by staff</td>
<td>2.10</td>
<td>.510</td>
</tr>
<tr>
<td>Visual appeal of the customer service facilities</td>
<td>2.10</td>
<td>.980</td>
</tr>
<tr>
<td>Neatness and professionalism of staff in appearance</td>
<td>3.52</td>
<td>.786</td>
</tr>
<tr>
<td>Ease of making electronic credit transfers</td>
<td>3.52</td>
<td>.654</td>
</tr>
<tr>
<td>Staff follow-through on promises</td>
<td>3.53</td>
<td>.432</td>
</tr>
<tr>
<td>How involved and interested in your problem the staff are</td>
<td>3.53</td>
<td>.657</td>
</tr>
</tbody>
</table>
4.6 Customer Satisfaction

4.6.1 Would You Recommend the current Service Provider’s Services to Friends and Relatives

According to the findings, 59.6% of the respondents indicated that they would recommend their current service provider’s services to friends and relatives, this large number based on the level of satisfaction they had experienced from the network quality they accessed, good product availability and delivery as well as adequate service quality they got from the telecommunication staff. These respondents belief that they can confidently operate with the service for the long term. Customers want a meeting between their values (need and want) and the object of their evaluation. More recently, renewed attention has been focused on the nature of satisfaction emotion, fulfillment and state (Parker and Mathew 2011) 37.1% of the respondents indicated that they would sometimes recommend their current service provider’s services to friends and relatives, this coupled with the fact that the satisfaction expected from the service was not fully justified. Most of these respondents were reluctant to accept the service because of the challenges they had experienced. Some however noted that most of their friends were using other competitor services while others were not yet subscribed to the telecommunication service. 3.3% of the respondents indicated that they would never recommend their current service provider’s services to friends and relatives. This was coupled with the fact that they had not been impressed by either the quality of Network received, product accessibility was hard to come by or the service quality offered by the firm was poor and not satisfactory to their expectations. The results of the above findings have been summarized in the table below.
Table 4.12: Would You Recommend the current Service Provider’s Services to Friends and Relatives

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Never</td>
<td>8</td>
<td>3.3</td>
</tr>
<tr>
<td>Sometimes</td>
<td>85</td>
<td>37.1</td>
</tr>
<tr>
<td>Yes</td>
<td>107</td>
<td>59.6</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4.6.2 Rate the Overall Satisfaction With Mobile Communication Services

From the findings, 74.7% of the respondents were satisfied with their mobile communication services, 18.6% of the respondents were very satisfied with their mobile communication services, while 6.7% of the respondents were dissatisfied with their mobile communication services.

Table 4.13: Rate the Overall Satisfaction With Mobile Communication Services

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dissatisfied</td>
<td>19</td>
<td>6.7</td>
</tr>
<tr>
<td>Satisfied</td>
<td>145</td>
<td>74.7</td>
</tr>
<tr>
<td>Very satisfied</td>
<td>36</td>
<td>18.6</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4.6.3 Level of Agreement with the Following Statement

According to the findings, the respondents agreed that they would go out of their way to be on the company’s network in the future, that they recommend the providers services to family and friends, that they love being on the network and that given the choice, they would choose the
service provider again as shown by a mean score of 3.55, 3.54, 3.52 and 3.51 respectively. The higher mean of satisfaction means that the satisfaction level is high, appreciated by the consumers. These consumers therefore mean that the services they have accessed and are satisfied with can be transformed to the friends and relatives as well.

**Table 4.14: Level of Agreement with the Following Statement**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Stdev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Given the choice, I would choose the service provider again</td>
<td>3.51</td>
<td>.818</td>
</tr>
<tr>
<td>I would go out of my way to be on the Company’s network in the future.</td>
<td>3.55</td>
<td>.876</td>
</tr>
<tr>
<td>I recommend the providers services to family and friends.</td>
<td>3.54</td>
<td>.715</td>
</tr>
<tr>
<td>I love being on this network.</td>
<td>3.52</td>
<td>.686</td>
</tr>
</tbody>
</table>

**4.7 Regression analysis**

In this study, a multiple regression analysis was conducted to test the influence among predictor variables. The research used statistical package for social sciences (SPSS V 17.0) to code, enter and compute the measurements of the multiple regressions

**Table 4.15: Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.763</td>
<td>.746</td>
<td>.578</td>
<td>.1076</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Network quality, Distribution and Customer Service quality

R-Square (coefficient of determination) is a commonly used statistic to evaluate model fit. R-square is 1 minus the ratio of residual variability. The adjusted $R^2$ also called the coefficient of
multiple determinations, is the percent of the variance in the dependent explained uniquely or jointly by the independent variables. 74.6% of the changes in customer satisfaction could be attributed to the combined effect of the predictor variables.

**Table 4.16: ANOVA (Analysis of Variance)**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>821.593</td>
<td>4</td>
<td>205.398</td>
<td>123.97</td>
<td>.000a</td>
</tr>
<tr>
<td>Residual</td>
<td>324.723</td>
<td>196</td>
<td>1.6568</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1146.316</td>
<td>200</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Network quality, Distribution and Customer Service quality

b. Dependent Variable: Customer Satisfaction

The ANOVA table shows that the residual sum of squares (the sum of squared deviations from the least squares line) is 324.723, while the total sum of squares (the sum of squared deviations from the mean) is 1146.316. The probability value of 0.001 indicates that the regression relationship was highly significant in predicting how network quality, product distribution and customer service quality. The F critical at 5% level of significance was 3.671 since F calculated is greater than the F critical (value = 123.97), this shows that the overall model was significant.
Table 4.17: Estimated Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized coefficients(B)</th>
<th>p-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Const.</td>
<td>18.79</td>
<td>3.25e-09 ***</td>
</tr>
<tr>
<td>Network quality</td>
<td>0.708</td>
<td>0.0133 ***</td>
</tr>
<tr>
<td>Product availability/Distribution</td>
<td>0.706</td>
<td>0.0236 ***</td>
</tr>
<tr>
<td>Customer Service quality</td>
<td>0.710</td>
<td>0.0154 ***</td>
</tr>
</tbody>
</table>

* Significant at 1%

** Significant at 5%

*** Significant at 10%

The “coefficients” table provides the regression equations. Under “unstandardized coefficients,” the “Constant” (18.79) is the “a” coefficient. The remaining values in this column are the “b” coefficients. Rewriting this in standard algebraic form, the unstandardized regression equation is:

CS = 18.79 + 0.708 NQ + 0.706D + 0.710CSQ + e

Where CS is customer satisfaction, NQ is Network quality, D is Distribution and CSQ is Customer Service quality.

A unit change in network quality will lead to a 0.708 change in customer satisfaction. A unit change in distribution will lead to a 0.706 change in customer satisfaction while a unit change in the customer service quality will lead to a 0.710 change in customer satisfaction.

Table 4.19 shows that network quality, distribution and customer service quality at 1% and 10% level of significance, they are significant in explaining the variations in customer satisfaction.
CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary of Findings

5.1.1 Influence of Network on Customer satisfaction
This study found that there is a significant relationship between network quality and customer satisfaction. The study revealed that the services required (airtime, lines, money transfer, etc.) were available. The study also revealed that the subscribers were slightly satisfied with call quality, delivery of messages/money transfer, network coverage, ease of connection to other networks, money transfer service access, network access (congestion), good connection internationally and Good Internet Services: internet is fast and reliable.

5.1.2 Relationship between Product Distribution and Customer Satisfaction
This study deduced that there is a significant relationship between distribution and customer satisfaction. The study revealed that the distribution outlets for products (airtime, SIM cards, money transfer, …) were available. The study established that the subscribers were satisfied with the ability of the mobile telephony to look for new and better ways to serving them and the ease of topping up with units/credit. The study also established that the subscribers were satisfied with the ease of access to air time top up distribution channels, flexibility in available denominations of airtime and consistency in availability of air time & related services.

5.1.3 The influence of Customer Service on Customer Satisfaction
This study found that there is a significant relationship between customer service and customer satisfaction. The study revealed that customer service channels (shops, call center, email, and social network) helped then whenever they needed. The study also revealed that the subscribers were satisfied with simplicity in communication of new products & services, staff follow-through on promises and how involved and interested in their problem the staff were. The study further revealed that the subscribers were satisfied with courtesy by customer service staff, neatness and professionalism of staff in appearance and ease of making electronic credit
transfers. The subscribers indicated that they were slightly satisfied with the ability to perform the promised service accurately and dependably and understand exactly what the customer needs. The study found out that the subscribers were slightly satisfied with prompt service to customers, advance notification of planned activities and making customers feel safe in transactions.

5.2 Discussions of key findings

This section focuses on a detailed discussion of the major findings of the study which also entails comparing the study findings to the literature.

5.2.1 Influence of Network Quality on Customer Satisfaction

The study revealed that the services required (airtime, lines, money transfer, etc.) were available. This argument can mean that provision of a reliable service which can satisfy customers, is critical for retaining customers and a tool to protect organizations from customer churn. The relationship between service quality and customer satisfaction is somewhat reciprocal. Previous research on this relationship can be divided into two schools of thoughts, one considers a satisfied customer perceived highly about service quality and on the contrary the other argues that service quality leads to customer satisfaction.

5.2.2 The relationship between Product Distribution and Customer Satisfaction

The study revealed that the distribution outlets for products (airtime, SIM cards, money transfer, …) were available. This postulates that lack of access to distribution channels and thus product unavailability is a potential barrier to customer satisfaction. Limited capacity within distribution channels may affect satisfaction of the product/service users. Improved efficiency of product distribution and proper set up of intermediary channel of distribution; provide several benefits to both provider and consumers including: improved efficiency, a better assortment of products, repeat transactions, and easier access to goods as well as customers. The study established that the subscribers were satisfied with the ability of the mobile telephony to look for new and better ways to serving them and the ease of topping up with units/credit. This argument can be used to
ascertain that the lack of access to distribution channels is an immediate barrier to customer satisfaction. Limited capacity within distribution channels, risk aversion by retailers, and the fixed costs associated with carrying an additional product result in retailers being reluctant to carry a new provider’s product. Without robust distribution even the best product or service fails.

5.2.3 The Influence of Customer Service on Customer Satisfaction

The study revealed that customer service channels (shops, call center, email, and social network) helped then whenever they needed. Based on service quality model, customer satisfaction is not necessarily linked directly with the provider’s actual service performance. One considers a satisfied customer perceives high about service quality but on the contrary others argue that service quality leads to customer satisfaction. Ease of getting help through customer service centres and customer satisfaction are linked. The study also revealed that the subscribers were satisfied with simplicity in communication of new products & services, staff follow-through on promises and how involved and interested in their problem the staff were facing. It can therefore be argued that quality, simplicity and reliability are factors that lead to high customer satisfaction. This imply that quality is a composite of many factors such as technology, information and supplier mechanism, flexibility and timing.

5.3 Conclusion

This study concludes that there is a significant relationship between. This study concludes that there is a significant relationship between network quality and customer satisfaction. Provision of a reliable service which can satisfy customers, is critical for retaining customers and a tool to protect organizations from customer churn. The relationship between service quality and customer satisfaction is somewhat reciprocal.

This study deduced that there is a significant relationship between distribution and customer satisfaction. Physical distribution, or Place, must integrate with the other 'P's in the marketing mix. In mobile telephony sector, distribution forms a key competency. Distribution affects sales; if it's not available it can't be sold.
This study concludes that there is a significant relationship between customer service and customer satisfaction. This is to mean that offering of reliable services is a factor that has an effect on satisfaction of customers.

5.4 Recommendations

From the findings and conclusion, the study recommends that with the rapid changes in telecommunication products, there is need for a firm customer service support structure. Thus telecoms should invest in building and maintaining relationships with consumers.

The study also recommends that firms need to invest in good service delivery mechanisms, this is because delivering a service performance, which can satisfy customers, is critical for retaining customers and a tool to protect organizations from customer churn.

The study further recommends that improved efficiency of product distribution and proper set up of intermediary channel of distribution; provide several benefits to both provider and consumers including: improved efficiency, a better assortment of products, repeat transactions, and easier access to goods as well as customers.

5.5 Recommendations for further studies

From the study and related conclusions, the researcher recommends that a study should be carried out to establish the factors that affect customer satisfaction in the other service industries in Kenya. A study should also be carried out to find out the challenges facing customer satisfaction processes.
REFERENCE


Djiofack & Keck (2009) Introduction of Young Entrepreneurial Culture, 2nd ed; prentice Hall: Upper saddle


http://en.wikipedia/wiki/consumersatisfactionandloyalty


Miller & Stafford (2010) *Economic Education for Consumers*, 4th ed. CENGAGE Learners: South Western


Yi and La (2004) Development Strategies in Marketing; Marketing Institute, Upper Saddle

APPENDIX A

INTRODUCTION LETTER

Dear participant

I am a postgraduate student in the faculty of commerce, Business department at Kisii university. As part of my academic requirements, I am currently undertaking a research study in order to fulfill this requirement for the Master Degree in Business administration. The title of my study is, “The impact of product quality and customer service in enhancing customer satisfaction, Loyalty”

You have been chosen as one of my participants. Kindly provide the necessary information in the questionnaire below. The information you give will be treated with confidence and will be used for the purpose of the study.

Thank you in advance.

QUESTIONNAIRE

SECTION A

A: Respondents Background information

Tick where necessary

1. Sex of the respondent
   a) Male [   ]
   b) Female [   ]

2. Age
   a) 15-20 Yrs [   ]
   b) 21-25 Yrs [   ]
   c) 26-30 Yrs [   ]
3. Indicate the years you have been a Safaricom customer

   a) 1-5 Yrs
   b) 6-10 Yrs
   c) 11-15 Yrs
   d) 16-20 Yrs
   e) 20 Yrs and above

SECTION B

1) What Mobile services package plan have you subscribed to?
   a. Pre pay
   b. Post Pay

2) For how long have you used services of the Mobile Telephone Operator?
   O Less than 6 months
   O Less than 1 year
   O Less than 3 years
   O Less than 5 years
   O More than 5 years

PART 3: Influence of Network

3) Are the services you require (airtime, lines, money transfer, etc.) easily available?
   Not available [ ]    Not always available [ ]    Available [ ]
4) What is your level of satisfaction with the following Network aspects affect in the mobile telephony?

<table>
<thead>
<tr>
<th>Network Issue</th>
<th>Very Satisfied</th>
<th>Satisfied</th>
<th>Slightly Satisfied</th>
<th>Dissatisfied</th>
<th>Very dissatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Network Coverage</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Call quality</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Network access (congestion)</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Money transfer service access</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Delivery of messages/Money transfer</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Easeofconnection to other networks</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Good Internet Services: Internet is fast and reliable</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Good connection internationally</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Others please specify…..</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**PART 4: Influence of Distribution (product availability)**

5) Are the distribution outlets for products (airtime, SIM cards, money transfer, …) available in your location?

- Not available [   ]
- Available but far a while [   ]
- Available [   ]

6) What is your level of satisfaction with availability of the following products in mobile telephony? (Tick or circle appropriately)
<table>
<thead>
<tr>
<th></th>
<th>Very Satisfied</th>
<th>Satisfied</th>
<th>Slightly Satisfied</th>
<th>Dissatisfied</th>
<th>Very dissatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ease of access to air time top up</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>channels</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flexibility in available denominations</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>of airtime</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consistency in availability</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>of air time &amp; related services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ability to look for new and</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>better ways to serving you</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ease of topping up with units/credit</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>purchased</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Availability of airtime at the outlets</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>whenever you want to buy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ease of finding an outlet selling SIM</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>cards</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ease of finding an agent</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Ease of registering your</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>line/Activation process</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others please specify…..</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
7) Does accuracy and timely delivery of bills for post pay subscriber affect your satisfaction?


PART 5: Influence of customer service

8) Do customer service channels (shops, call center, email, and social network) help you whenever you need?

Never [   ]

Sometimes [   ]

Yes [   ]

9) What is your level of satisfaction with the following aspects of ease of access to Customer Service in the Mobile telephony? (Tick or circle appropriately)

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Very Satisfied</th>
<th>Satisfied</th>
<th>Slightly Satisfied</th>
<th>Dissatisfied</th>
<th>Very dissatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriate choice of the advertisement mode and language</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Ease of access to customer service</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Simplicity in communication of new products &amp; services</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Courtesy by customer service staff</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Advance notification of planned activities</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Ability to perform the promised service accurately and dependably</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>---------------------------------------------------------------</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Prompt service to customers</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Understand exactly what the customer needs</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Confidence instilled in customers by staff</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Making customers feel safe in transactions</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Personalized attention to customers by staff</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Visual appeal of the customer service facilities</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Neatness and professionalism of staff in appearance</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Ease of making electronic credit transfers</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Staff follow-through on promises</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>How involved and interested in your problem the staff are</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Others please specify…..</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
10) Kindly give your recommendation on any other possible factors that may affect your satisfaction in Kenya’s Mobile Telephony.

___________________________________________________________________________

___________________________________________________________________________

Section C: Customer Satisfaction

11) Do you recommend your current service provider’s services to friends and relatives?

Never [    ] Sometimes [    ] Yes [    ]

12) How would you rate your level of overall satisfaction with your mobile communication services?

Very dissatisfied [    ] Satisfied) [    ]

(Dissatisfied) [    ] Very satisfied [    ]

13) What is your level of agreement with the following statement on how you view the telecommunication company with which you are subscribed to?

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Given the choice, I would choose to remain with the Company again.</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>I would go out of my way to be on the Company’s network in the future.</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>I would recommend the Company’s services to a colleague, friend, or family member.</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
14) what would you like your current service provider to improve on?

Section D: Customer Loyalty

15) Would you say positive things about the company?
   
   I have done [    ] will do so [    ] will never [    ] maybe later [    ]

16) What would you describe the following comments asked to you?

| I would be willing to remain a customer to this network provider | Not True | Idon’t know | True | Very True |
| I intend to subscribe permanently to other products of the firm |          |            |     |          |
| I will not be influenced negatively on the service I subscribe into |          |            |     |          |
| The network will be of help to me in future |          |            |     |          |

17) Would you recommend friends and relatives to seek the services of Safaricom?
   
   I will [    ] I will never [    ] Maybe [    ]

18) How would you consider the services of Safaricom in future?

THANK YOU FOR YOUR TIME AND RESPONSES