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## Customer Service Quality Perception and Expectation of GSM Companies in Benin City, Nigeria

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### **Abstract:**

*The huge demand for telecommunication services, and the liberalization of the telecommunications sub-sector of the Nigerian economy, brought with it very keen competition among the major players in the GSM segment of the industry. Propelled by oligopolistic features, these Service Providers adopted various advertising and sales promotion strategies to defend their market shares and maximise sales, seemingly at the expense of their teeming customers who have experienced poor service delivery from the GSM providers. This work was therefore an attempt to evaluate the amount of discord or gap between customers' perception or experience and their expectations of the service delivery by the GSM service providers in Benin City. This cross-sectional study, which was driven by a structured questionnaire that examined seven service quality dimensions, involved 30 questions. The responses from 429 respondents were subjected to gap analysis. The study revealed that the dimensions of Network Quality and Reliability had the highest gaps while Tangibles and Convenience had the least. It is thus suggested that the GSM Service Providers should enhance their network quality and improve on customers' convenience and access to GSM services.*

**Keywords:** Benin City, GSM, Service Provider, Service Quality, Service Delivery, SERVQUAL model, Quality dimensions

### **1. Introduction**

The mobile telecommunications industry in Benin City can be referred to as a perfect or pure oligopoly. Pure oligopoly is said to occur when a few companies offer homogenous products or services. As rightly pointed out by Chindo (2013), the GSM (Global System of Mobile Telecommunications) market in Benin City portrays the main attributes of an oligopoly such as interdependence among sellers in the market, huge expenditure on advertisement, keen competition and barriers to entry.

This research is deemed timely and necessary due to the fact that in spite of the ever growing subscriber base in the Nigerian mobile telecommunications industry, customers appear not to be getting the desired value for their money. This assertion is also supported by Emerah, Oyedele and David (2013, p.3) who acknowledge that "despite the remarkable and outstanding improvement in accessibility to telephone services, there is an avalanche of complaints of high call tariffs, poor voice signals, poor reception, errors in connection and poor inter-connectivity with other networks among others".

In the recent past, several complaints have arisen from GSM service users in Benin City. Some of these complaints include receiving less than their expectation of services paid for, not receiving the promised service of the advertisement of GSM companies (Eleboda, 2014; Emerah et al, 2013; Egena, 2013). Thus, the objective of this paper is to determine the extent of satisfaction of GSM users with the level of services received from the GSM companies in Benin City.

### **2. Literature Review**

The mobile GSM industry in Nigeria began operations in 2001. Like some sectors of the economy, it is also regulated by an independent government owned establishment known as the Nigerian Communications Commission (NCC). The NCC was set up by the government of Nigeria to create an enabling environment for competition among operators in the industry as well as ensuring the provision of qualitative and efficient telecommunications services throughout the country. According to NCC (2014), some of her functions as it applies to the mobile telecommunications (GSM) include:

1. The protection and promotion of the interests of consumers against unfair practices including but not limited to matters relating to tariffs and charges for, and the availability of, quality communications services, equipment and facilities;
2. The promotion of fair competition in the communications industry and protection of communications services and facilities of providers from misuse of market power or anti-competitive and unfair practices by other service or facilities providers or equipment suppliers;

3. The development and monitoring of performance standards and indices relating to the quality of telephone and other communications services and facilities supplied to consumers in Nigeria having regard to the best international performance indicators;
4. Examining and resolving complaints and objections filed by and/or disputes between licensed operators, subscribers or any other person involved in the communications industry, using such dispute-resolution methods as the commission may determine from time to time including mediation and arbitration;
5. Preparation and implementation of programmes and plans that promote and ensure the development of the communications industry and the provision of communications services in Nigeria;
6. Ensuring that licensees implement and operate at all times the most efficient and accurate billing system; and
7. Preparation and implementation of programmes and plans that promote and ensure the development of the communications industry and the provision of communications services in Nigeria.

2.1. Service Performance

Performance represents the extent to which set objectives are accomplished (Ioan, Nestian & Tita, 2012). Performance can be explained to be the extent of satisfactory actualization of a given task or stated objectives (Wogu, 2015). The performance of GSM companies has a lot of impact on the continued patronage by GSM users. It is therefore important that these GSM companies should avoid creating illusions of services which they do not intend to render. It should also be understood that expectations are created in the minds of these GSM users as a result of Word of Mouth (oral communication), and arising from an assessment of each individual customer’s needs and his/her past experience (Parasuraman, Zeithaml & Berry, 1985). This study looks at performance from the perspective of a customer’s experience with the service provided by their mobile service provider. The NCC subscriber statistics as obtained from the first quarter of the year (2015) draws attention to the need for improved performance by GSM companies in Benin City.

GSM Service Providers	January 2015	February 2015	March 2015	April 2015
Mobile (GSM) Connected Lines	187,947,397	186,410,917	190,385,026	192,769,198
Mobile (GSM) Active Lines	138,530,830	140,275,599	141,642,836	143,057,234
Discrepancy	49,416,567	46,135,318	48,742,190	49,711,964

Table 1: Number of GSM subscribers in Nigeria as at April, 2015  
 Source: Adapted from NCC (2015) figures on number of subscribers as at April, 2015

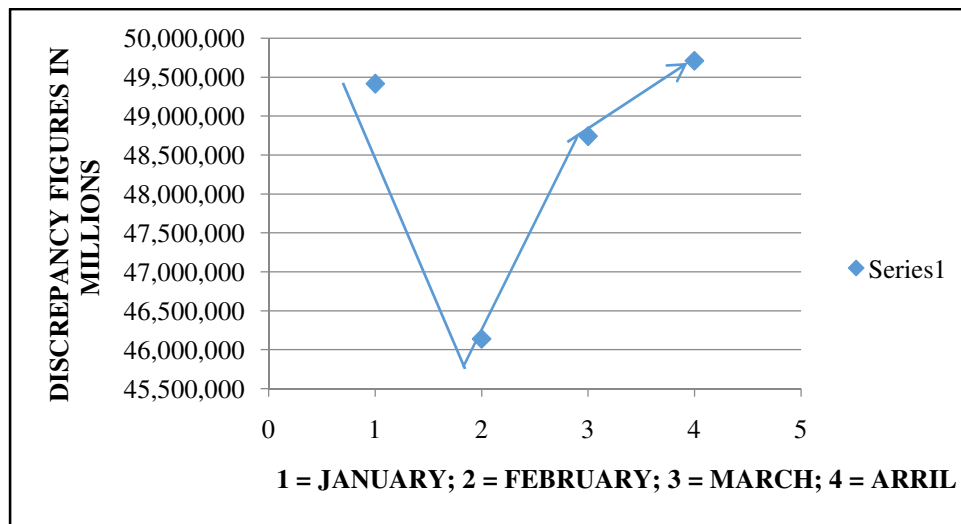


Figure 1: A graphical depiction of the discrepancy between connected and active GSM lines  
 Source: Author’s Computation, 2015

Figure 1 reveals the observed discrepancy between the number of connected lines and the number of active lines. This difference, gap or discrepancy hit a minimum in February and has since been on the rise. This is a clear indication that there is still a lot of room for improvement in order to accommodate additional potential GSM customers/users.

2.2. Service Quality (SERVQUAL)

It is argued that the term quality is usually not defined in isolation but referred to or used in relation to some features, attributes or relationships (Oisamoje and Wogu, 2014). This implies that certain identifiable variables form the basis of quality evaluation. Lewis and Bernard (1983) posit that service quality can be defined as a measure of how well the service delivered matches the customers’ expectation of service. Wogu(2015) opines that the concept of service quality was given a quantifiable perspective by Parasuraman, Zeithaml and Berry(1988). It is in the light of the above stated facts that Parasuraman, et al. (1988), came up with five (5) service

quality dimensions to aid proper evaluation of the service quality of service firms. This assertion was reaffirmed by Zeithaml, Bitner and Gremler (2006) who concur that these dimensions of service are what the service quality focuses upon. The five dimensions are briefly explained as follows:

- Tangibles: These refer to the physical facilities that aid the rendering of services by the providers.
- Reliability: This refers to the extent to which that promised services are properly and correctly rendered as promised.
- Responsiveness: This suggests the willingness of service providers to offer timely service to their customers.
- Assurance: This refers to a situation where employees of a service provider are polite and have the relevant knowledge of the services being provided and are able to earn the trust and confidence of their customers.
- Empathy: This implies the kind and personal attention given to customers by employees of a service provider.

A service quality model was developed by Parasuraman, Zeithaml, and Berry (1985). These authors opine that service quality is determined by an evaluation of the difference between consumers' expectation and perception of services they experienced. This model identified loopholes responsible for the various gaps created in service delivery. The model was further modified by other authors in order to capture other identified gaps.

Daniel and Berinyuy (2010) agree that the survival and growth of an organization depends on the importance placed on improving service quality as it could help the organization to tackle the challenges encountered in the competitive markets. Parasuraman, Zeithaml and Berry(1991) believe that the purpose of SERVQUAL is to serve as a diagnostic technique for bringing to light the shortfalls and strengths regarding service quality of any company. The modified service quality model is as shown in Figure 2.

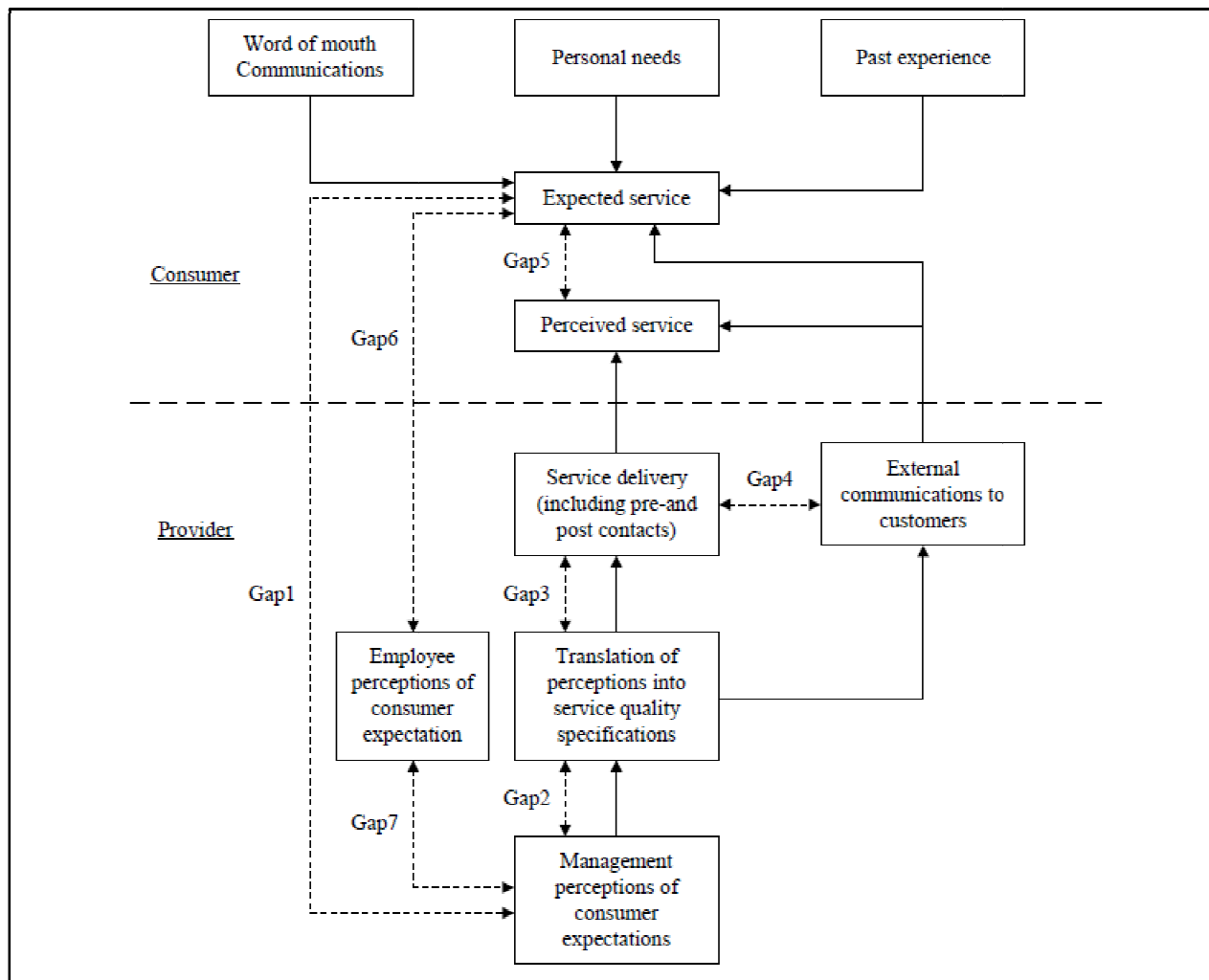


Figure 2: A diagrammatic representation of the Gaps model  
 Source: Service quality gaps model (Parasuraman et al., 1985; Curry, 1999; Luk and Layton, 2002)

Figure 2 identifies seven (7) service quality gaps which arise from the service provider's wrong perception of consumer expectation. The resulting gaps are hereunder outlined:

- Gap 1: customer expectation against management perception: This discrepancy arises when there exists a misunderstanding on the part of management of what customers look for in assessing service quality.
- Gap 2: management perception against service quality specification: This difference occurs due to the inability of management to live up to and enforce professed or laid down service quality standards.

- Gap 3: service quality specifications against service delivery: This disparity results from the inability of management to standardize employee behaviour even when standards of service quality have been put in place by management.
- Gap 4: service delivery against external communications: This variance occurs when the service quality perception created by management through the use of mass media and other forms of communications fail to live up to the resulting expectation it created to customers.
- Gap 5: expected service against perceived service: This is the deviation between expectations on service by customer as influenced by word of mouth communication, personal needs and past experience and actual service experience. This refers to the magnitude and direction of gap between expected service and perceived service. This magnitude and direction has an impact on service quality as it could result in favourable or unfavourable situations for the service provider.
- Gap 6: customer expectations against employees' perception: This arises as a result of the differences in the understanding of customer expectations by front-line service providers.
- Gap 7: employees' perception and management perception: It occurs when there is a divergence in the understanding of customer expectations between managers and service providers.

Thus, the extent and direction of each gap serves as a key pointer to the outcome of service quality measurement.

### 3. Methodology

There are four GSM companies in Benin City and these companies are MTN, AIRTEL, GLO and ETISALAT. The customers of these four companies were used in this study with the aim of evaluating the service quality needs. The study was a cross sectional survey and it made use of a structured 30-item questionnaire which was an adaptation of the SERVQUAL 22-item questionnaire.

The main instrument used in this study was the questionnaire and it was designed to elicit responses from respondents about their expectations and experiences with the GSM service. The 7 point likert scale was used to elicit responses from respondents based on their level of agreement with questions in the questionnaire. Four hundred and twenty-nine (429) copies of the questionnaire were retrieved from respondents within the four local governments in Benin City.

The judgmental and convenience sampling techniques was used because of the authors' knowledge of the population distribution within these local government areas in Benin City. The population of subscribers in Benin City amounts to 4,022,690. This figure consists of 1,890,000 (MTN subscribers), 690,850 (AIRTEL subscribers), 600,000 (GLO) and 841,840 (ETISALAT subscribers). These figures used were given by staff of MTN, GLO, AIRTEL and ETISALAT. The sample size obtained for this study was 400. However, to account for attrition that arises with the use of questionnaire, 30 percent of the said amount was added to the sample size.

### 4. Results

The mean scores of the 30-item questionnaire were calculated to obtain the mean expectations and perceptions from the customer's point of view. The mean difference amongst these items as shown in Table 1 shows the evaluation of the individual item questions. Table 3 gives the summary of the individual dimensions as well as the overall mean gap.

Dimension	Questions	Perception	Expectation	Gap Score
Tangibles	The offices of your mobile service provider look fresh with modern facilities.	5.629	6.368	-0.739
	The office and surroundings of your mobile service provider are appealing.	5.515	6.268	-0.753
	The employees of your mobile service provider appear in neat and nice clothing.	5.723	6.403	-0.68
	The office and surroundings of your mobile service provider align with the type of services provided.	5.294	6.068	-0.774
Reliability	When a mobile service provider promises to do something by a certain time, they should keep to it.	5.018	6.545	-1.527
	When customers have problems, your mobile service provider shows sincere interests in solving it.	5.217	6.650	-1.433
	Your mobile service provider is dependable.	4.958	6.196	-1.238
	Your mobile service provider provides the service at the time they promise to do so.	4.944	6.530	-1.586
	Your mobile service provider keeps their records accurately.	5.333	6.476	-1.143
Responsiveness	Employees of your mobile service provider tell their customers exactly when services will be performed.	5.103	6.287	-1.184
	Employees of your mobile service provider give prompt service to their customers.	5.103	6.478	-1.375
	Employees of your mobile service provider are always willing to help their customers.	5.298	6.576	-1.278
	Employees of your mobile service provider are never too busy to promptly respond to their customers' requests.	4.732	6.284	-1.552

Assurance	The behaviour of the employees of your mobile service provider instils confidence in their customers.	5.082	6.273	-1.191
	Customers feel safe in their transactions with the employees of your service provider.	5.179	6.279	-1.1
	Customers feel safe in their transactions with the employees of your service provider.	5.159	6.217	-1.058
	Employees of your mobile service provider have the relevant adequate knowledge to render answers to their customers' questions.	5.379	6.471	-1.092
Dimensions	Questions	Perception	Expectation	Gap Score
Empathy	Your mobile service provider gives individual attention to their customers.	5.170	6.228	-1.058
	Employees of a mobile service provider should give personal attention to their customers.	5.235	6.061	-0.826
	Employees of your mobile service provider understand the specific needs of their customers.	5.126	6.282	-1.156
	Your mobile service provider has their customers' best interest at heart.	5.205	6.331	-1.126
Convenience	Your mobile service provider has operating hours convenient to their customers.	5.235	6.061	-0.826
	There is ease in locating an outlet of your mobile service provider.	4.923	6.310	-1.387
	The self service options made available by your mobile service provider is easy to use.	5.392	6.442	-1.05
	The procedures required by your mobile service provider are easy to understand and follow.	5.389	6.455	-1.066
Network Quality	The decision to remain with your mobile service provider is as a result of convenience in receiving the service.	5.298	6.172	-0.874
	There is clarity of voice calls to same and other networks with your mobile service provider.	5.037	6.359	-1.322
	There is ease in connection upon dialling a GSM number with your mobile service provider.	5.159	6.382	-1.223
	Your mobile service provider has network service in remote areas or villages.	4.751	6.541	-1.79
	There is ease in connecting to your mobile service provider's customer service representative to resolve complaints.	4.923	6.589	-1.666

Table 2: Gap Score Analysis  
Source: Author's computation, 2015

Dimension	Perception Mean	Expectation Mean	Gap Score
Tangibles	5.540	6.277	-0.737
Reliability	5.094	6.479	-1.385
Responsiveness	5.059	6.406	-1.347
Assurance	5.199	6.310	-1.111
Empathy	5.147	6.365	-1.218
Convenience	5.251	6.345	-1.094
Network Quality	4.968	6.468	-1.50
Average	5.179	6.379	-1.199

Table 3: Summary of the Mean of the Gap Scores  
Source: Author's Computation, 2015

#### 4.1. Discussion of Results

The gap analysis revealed the following:

1. Tangibles was seen as having the least mean gap score (-0.737) in absolute terms. This implies that there has been some level of improvement in the physical aspects which facilitate the services these GSM companies in Benin City render.
2. Convenience had the second lowest mean gap score (-1.094). This suggests that GSM companies in Benin City have to some extent enabled easy access by customers to the services they render.
3. Reliability had the second largest mean gap score (-1.385). This implies that GSM companies in Benin City urgently need to improve on the efficiency and effectiveness of the delivery of the required or promised service(s) to the customers.
4. Network Quality had the largest mean gap score (-1.50). This gap is a clear indication that the network coverage as well as strength of signal leaves a lot to be desired by GSM users in Benin City.

5. The overall average service quality gap was -1.199. This goes to show that customers of these GSM service providers are not satisfied with the current level of services being provided. Usually, a value of above one (1) does not speak well of the level of performance of a service provider

## 5. Conclusion

The gaps model used in this study helped to validate its usefulness in evaluating the level of service quality of GSM companies in Benin City. The gaps help to identify the aspects of GSM services that require improvement. The results clearly indicate that Network Quality and Reliability are the aspects having the highest gap. This means that management of these GSM companies should harness sufficient resources and channel them towards improving these areas of service delivery in order to bridge these observed gaps. These managements should also critically look at their level of responsiveness to customers needs. Thus, a reduction in the above mentioned aspects of service delivery will in turn result in a reduction in the overall service quality gap. However, it should be noted that improving service quality is a continuous process that should be maintained and sustained in every service organization.

The Network Quality and Reliability had the highest mean gap score. These service delivery components are the areas that customers are most dissatisfied with and hence deserve immediate attention and improvement by the providers.

## 6. Future Research

As a result of the Gap Analysis using the seven service quality dimensions, the following recommendations are noteworthy:

1. Innovation and creativity are two important ingredients that give firms strategic competitive advantages. As an aspect of further research, it would be interesting to investigate and evaluate if, and how, these impact on service quality delivery and on the overall performance of GSM companies.
2. This study was limited to the four GSM companies in Benin City, Edo State. Further study could be undertaken to evaluate the service quality gaps in other states, and also perhaps in Nigeria as a whole.

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