

DEMOGRAPHICS AND CUSTOMER SATISFACTION WITH COMPLAINTS MANAGEMENT IN THE TELECOMMUNICATION INDUSTRY

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Abstract: This study examined “demographics and customer satisfaction with complaints management in the telecommunication industry. Specifically it aimed at finding out the extent to which customer satisfaction is a function of the choice of service provider, service type, level of use, sex and age of users. To achieve the objectives of the study, five telecommunication firms were chosen. The research instrument (questionnaire) was administered on a total of five hundred (500) randomly selected customers of MTN, GLOBACOM, Airtel, 9mobile, and Multi-links. Data obtained were coded and analyzed using descriptive and inferential statistics such as the frequency tables, One-way Analysis of Variance (ANOVA) and the ‘t’ test for the difference between two population means. The sampling technique used in the study was the multi-stage cluster sampling. The findings from the research revealed that the level of customer satisfaction with the service provided by the Nigeria telecommunication industry is a function of age of the customer and the choice of service provider. However, customer satisfaction is not a function of sex of users. It was thus recommended that telecommunication service providers should take bold steps to improve on their services in order to enhance customer satisfaction as this is key to achieving growth and profitability.

Keywords: customer satisfaction, service provider, service type, telecommunication industry.

1. INTRODUCTION

No matter how good organization strives to achieve service excellence, complaint is inevitable; at some times, there will be unhappy customers. That is why it is important to have a system in place to handle customer’s complaints. Complaints offer businesses an opportunity to correct immediate problems. In addition, complaints frequently provide constructive ideas for improving products, adapting marketing practices, upgrading services, or modifying promotional materials and product information.

“While occasional problems with the services of an organization are, to some extent, inevitable, dissatisfied customers are not” (Berry & Parasuraman, 1991). Companies can learn to recover from mistakes. A good recovery strategy can turn angry and frustrated customers into loyal ones. Recognizing the importance of responding fairly and efficiently to customer disappointment, many organizations have established effective and innovative systems for resolving consumer complaints. Companies with positive philosophy who have a reputation for their ability to manage customer’s complaints and able to retain them have a competitive edge (Kessler & Sheila, 2003).

Careful complaint management can save organizations unwanted cost. For example, negative publicity from dissatisfied customers could lead to loss of revenue and necessitate additional investment in advertising to attract lost customers or replace them. Complaints and complaint trends tell organization how to do its job better by alerting management to problems that need prompt attention and correction.

Furthermore, they indicate long-range opportunities for product/service innovation and problem prevention.

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

Statement of Problem

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

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

This research study was therefore conceived to find out whether customers satisfaction in the telecommunication industry is a function of the choice of service provider, service type, sex and age of users.

2. LITERATURE REVIEW

Concept of Customer Satisfaction

Berkman & Gilson (2016) stated that customer satisfaction is recognized as being of great importance to all commercial organizations because of its influence on repeat purchase behaviour and word-of-mouth recommendations. In general terms; customer satisfaction is seen as the essential determinant of business success (Moore et al., 1998). On the other hand, as competition increased, customer satisfaction has been identified as a determinant of market share, return on investment and cost reduction (Burch et al., 2015).

Nauman (2015) referred to several studies that had found that it costs about five times as much in time, money and resources, to attract a new customer as it do to retain an existing customer. This creates the challenge of maintaining high levels of service, awareness of customer expectations and improvement in service and products. Satisfaction reinforces positive attitudes toward the product/service, leading to a greater likelihood that the same product/service will be purchased again and that dissatisfaction leads to negative product/service attitude and lessens the likelihood of using the product/service again (Assae, 2017).

Dimensions of Customer Satisfaction

Sureshchanadar et al (2002) emphasized in a study that customer satisfaction is a multi-dimensional construct as in quality. Taylor and Baker (1994) also concluded that service quality and customer satisfaction are separate constructs. Whilst satisfaction indicates the state of a customer's psyche, quality refers to the state of a business' resources and efforts. Whitely (2011) differentiated product and service quality by defining the former as "What you get" and the latter as "How you get it". This is in agreement with Gronroos(1990) two-dimensional aspects of service quality (technical quality - the quality of what is delivered; and the functional quality - the quality of how the service is delivered). Whereas customer satisfaction could be seen as the outcome of the difference between customer's perception and expectation of service quality, it should not be forgotten that factors such as price, packaging and situational factors such as the service encounter, would also influence satisfaction.

Magnitude of Satisfaction

According to Kotler & Keller (2006), customer satisfaction does not only prevent customer complaints but more importantly it is meeting and even exceeding customers' expectations. The point is that 'no complaints or dissatisfaction' is

not synonymous with 'customer satisfaction'. This view has its roots in motivation theory of Herzberg Fredrick (1968). The mere fact that things do not go wrong and customers do not complain does not mean that they are satisfied with the product or service received. Conversely, customers can be dissatisfied with some things about an organization, but satisfied with the organization's product or service offerings. Satisfaction is therefore holistic or total (Kotler & Keller, 2006) and can be in different magnitudes since customers can be extremely/very dissatisfied to dissatisfied. In this study satisfaction is defined in both negative and positive magnitudes, from very satisfied to very dissatisfied.

Principle for an Effective Complaint Handling System

Having a customer focused system that is visible and accessible, with a demonstrated commitment from the organization's management will help to solve a lot of customer related problems. Ombudsman (2010) highlighted the principle to include:

1. Customer Focused: The organization should be committed to effective complaint handling and values feedback through complaints.

- Organizations should be open to feedback and committed to seeking appropriate resolution of complaints and addressing policy and process inadequacies highlighted by them. This commitment should be communicated to all staff, stakeholders and clients, for example through documents such as values statements or customer service standards.
- Organizations should have a clearly communicated complaint handling process and management that values the benefits of an effective complaint handling system and supports the process.

2. Visibility: Information about how and where to complain should be well publicized to customers, staff and other interested parties.

- Information about how and where to complain should be well publicized through a variety of service delivery points including publications, websites, at offices and at front counters.
- Front-line staff should be aware of the complaint handling process and the contact details of the organization's Complaint Handling Officer(s).
- The information about how to complain should identify any appropriate alternative external parties the complainant can go to with their complaint.

3. Accessibility: The process of making a complaint and investigating it must be easy for complainants to access and understand.

- Complaints should be handled at no charge and this should be made clear in information provided about the complaint handling process.
- Information about the complaints process should be available in a variety of forms of communication, formats and languages appropriate to the needs of the customer.
- Complaints and all supporting documents provided during a complaint resolution or investigation process should be accepted in a number of different ways including in person, over the phone, and in writing via email, fax and letter, and, where appropriate, access to translating and interpreting services for non-English speaking people should be provided.
- Complaint handling systems should be accessible to members of the public who may require additional assistance such as indigenous Nigerians, children and young people, people living in regional and remote areas, people with disabilities and people from culturally and linguistically diverse backgrounds.

Responding to Complaints

"Complaints should be handled objectively and fairly with appropriate confidentiality, remedies should be provided where complaints are upheld and there must be a system for review for finalized complaints". (Ombudsman, 2010). Five steps were outlined which organizations must follow to respond to complaints.

1. Responsiveness: Complaints should be acknowledged in a timely manner, addressed promptly and according to order of urgency, and the complainant is kept informed throughout the process.

- Guidance should be provided to staff on how to respond to and prioritize complaints. They should be aware of internal complaint handling processes including how to assess complaints which may be resolved quickly and those which require investigation.
- Complaints should be acknowledged promptly. Complainants and, if applicable, the person who is the subject of the complaint, should be kept informed of progress and the outcome of the complaint.
- Complaints should be addressed promptly in order of urgency and staff should be aware of any target timelines for resolving complaints.
- Complaint Handling Officers should be empowered to either resolve complaints or be aware of, and have access to, the person who has the authority to do so.
- Where appropriate, special arrangements for responding to particular client groups should be put in place, for example, Indigenous Nigerian, children and young people, people living in regional and remote areas, people with disabilities and people from culturally and linguistically diverse backgrounds.
- Staff should be able to identify matters that may be of public interest disclosures and refer them to the appropriate process, and should refer any identified misconduct and corrupt behaviour to the Corruption and Crime Commission

2. Objective and Fairness: Complaints should be dealt with in an equitable, objective and unbiased manner. This will help to ensure that the complaint handling process is fair and reasonable. Unreasonable complainant conduct is not allowed to become a burden.

- Complaint Handling Officers should deal with all complaints on their merit in an equitable, objective and unbiased manner. They must ensure that any conflicts of interest are declared.
- Complaint Handling Officers should ensure the complainant and, if applicable, the person who is the subject of the complaint, is given sufficient opportunity to present their position, to comment on any adverse findings and is provided with reasons for decisions on the outcome of the complaint.
- Complaint handling systems should have a review process in which the Complaint Handling Officer's decision is reviewed by a suitably experienced colleague or superior before the complaint is finalized. There should also be an independent internal review or appeal process.
- Officers receiving and handling complaints should receive appropriate guidance or training, including for dealing with unreasonable conduct by the complainant or the subject of the complaint.

3. Confidentiality: Personal information related to complaints should be confidential.

- The personal information of the complaint and any people who are the subject of a complaint should be kept confidential and only used for the purpose of addressing the complaint and any follow up actions.

4. Remedy: If a complaint is upheld, the organization should provide a remedy.

- Mechanisms should exist for enabling appropriate remedies to be provided when complaints are upheld and staff should be familiar with them.
- Staff should be empowered to provide these remedies at the appropriate level, for example some appropriate remedies may be provided by front-line staff.
- Staff should be able to give the complainant reasons for decisions relating to remedies.

5. Review: There should be opportunities for internal and external review and/or appeal about the organization's response to the complaint, and the complainants are informed about these avenues.

- There should be an independent internal review or appeal process.

Details of external rights of review or appeal for unresolved complaints should be made available to complainants.

Complaints Investigation and Resolution Process

Ombudsman (2010) Opines that complaints should be dealt with promptly, courteously and in accordance with their urgency. The essential steps in investigating and resolving a complaint are:

1. **Assess the Complaint:** Clarify the issues of the complaint and what kind of resolution the complainant is seeking. If it is not a matter that can be handled by the complaints process, refer the complainant to a more appropriate process
2. **Seek Resolution:** Where appropriate and possible seek to achieve resolution. Where resolution is reached, document the agreed action. In this event it may not be necessary to continue with the investigation unless there are systemic issues that require further examination outside the complaint process.
3. **Select the Appropriate Investigative Approach:** If the complaint is not resolved, determine what action is required, which may include options other than a formal investigation. This can depend on factors such as statutory requirements which may apply the nature of the issue and the likely outcome of the investigation. Where possible, complaints should be resolved without the need for a formal investigation.
4. **Plan the Investigation:** Define the issues to be investigated and develop an investigation plan.
5. **Ensure Proper Power and Authority:** Assess whether the Complaint Handling Officer has the necessary powers to obtain evidence from relevant witnesses and to access relevant records. Ensure they have the authority to conduct the investigation, make a decision and resolve the complaint, or have access to a person who can make decisions and offer remedies
6. **Obtain Evidence:** Carry out the investigation by gathering sufficient reliable information to enable the issue to be properly addressed by proving or disproving matters relevant to the issue being investigated taking into account all relevant information and no irrelevant information. At this stage, it may be necessary to refer any matters that may be misconduct or corruption to the Corruption and Crime Commission.
7. **Reconsider Resolution:** Consider whether resolution is now possible.
8. **Reporting and Recommendations:** Prepare a document setting out the complaint, how the investigation was conducted, relevant facts, conclusions, findings and recommendations. Recommendations could include remedies for the complainant, action to improve the organization's service delivery and action to address inappropriate conduct by an officer (e.g. through training, an appropriate disciplinary process or referral to an appropriate external authority),
9. **Decide on the complaints and action to be taken:** Refer the report to a person authorized to make a decision about the complaint and the action to be taken. After the decision is made, arrange implementation of the agreed action and follow up to confirm if the action occurs.
10. **Inform the Parties:** Upon completion of an investigation, the complainant (and, if applicable, the person who is the subject of the complaint) should be given:
 - Adequate reasons for any decision made;
 - Any changes or action that have resulted from the complaint;
 - A remedy, where appropriate; and
 - Information on where to seek independent internal and external review

Possible remedies that may be offered to complainant

- An apology;
- Reconsideration of a decision
- Amending or retracting documentation (e.g. publications, media statements, web pages)
- An offer of non-financial assistance, as appropriate (e.g. providing information or contact details)
- Appropriate compensation for loss
- Changed policies or practices to prevent a reoccurrence; and
- Action to modify the behaviour of the staff member who the complaint was about, if applicable.

3. METHODOLOGY

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

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

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

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

4. RESULTS AND DISCUSSION

Table 1: Level of Customer Satisfaction Vs Sex

Group Statistics

VAR00001	N	Mean	Std. Deviation	Std. Error Mean
VAR0002 Male	281	2.9	1.4	.09
Female	208	3.03	1.4	.1

	Levene's test for Equality Of Variances		t test for Equality of Means			
	F	Sig.	t.	df.	Sig. (2-tail)	
Equal Variances Assumed	0.1	0.8	-0.7	487	0.5	
Equal Variances not assumed			-0.7	449	0.5	
	Mean Difference	Standard Error Difference	95% confidence interval of the difference			
			Lower	Upper		
Equal Variances Assumed	-0.09	0.13	-0.3	0.2		
Equal Variances not assumed	-0.09	0.13	-0.3	0.2		

The results in table 1 show that the mean score obtained by male respondents was 2.9 with a standard deviation of 1.4 and a standard error mean of 0.04. the corresponding values for female respondents were 3.03, 1.4 and 0.1 for mean, standard deviation and standard error mean respectively, thus resulting in a mean difference of -0.1. A t test for equality of means

revealed that this difference was not significant at the five percent (5%) level since the asymptotic significant probability associated with the t test is 0.5. Consequently the hypothesis is rejected. We may thus conclude at the 95% confidence level that the level of customer satisfaction is not a function of Sex.

Table 2: Customers' Satisfaction Vs Service Provider

	N	Mean	95% confidence interval for the Mean	
			Lower Bound	Upper Bound
MTN	308	3.5	3.3	3.5
Globacom	284	3.4	3.2	3.5
Airtel	291	3.6	3.5	3.8
9mobile	182	3.5	3.3	3.6
Multi-links	42	3.3	2.9	3.7
Total	1107			

Source: Authors' Fieldwork (2022).

Table 3: ANOVA Table for customer satisfaction Vs service provider

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	11.2	4	2.8	1.9	0.1
Within Groups	1599.2	1102	1.5		
Total	1610.2	1106			

The results in table 3 indicate that the ANOVA table had a calculated F statistic of 1.9 with an associated asymptotic significant probability of 0.1, thus indicating that the test is not significant at the 5% level. Consequently, the null hypothesis that the level of customer satisfaction in the Nigerian Telecom Industry is the function of the choice of the service providers is not rejected.

Table 4: The level of Customer Satisfaction Vs Age of users

	N	Mean	Std Dev	Std Error	95% confidence interval for the Mean		Between Component Variances
					Lower Bound	Upper Bound	
18-20 Years	23	3.7	1.3	0.28	3.1	4.3	
21-40 Years	238	3.2	1.3	0.08	3	3.4	
41-60 Years	219	2.7	1.2	0.08	2.6	2.9	
Over 60 Years	9	3.4	1.6	0.5	2.3	4.7	
Total	489	3.00	1.3	0.06	2.9	3.1	
Model: Fixed Effects			1.3	0.06	2.2	3.1	0.13
Random Effects				0.25	2.2	3.8	

Source: Authors' Fieldwork (2022).

Table 5: ANOVA Table for level of Customers' satisfaction Vs Age

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	40.4	4	13.5	8.6	0.000
Within Groups	760.5	485	1.57		
Total	800.9	489			

The results in table 5 indicate that the ANOVA table had a calculated F statistic of 8.6 with an associated asymptotic significant probability of 0.00. The asymptotic significant probability of 0.00 is less than 0.05, thus indicating that the test is significant at the 5% level. Consequently, the hypothesis is rejected. The implication is that it is safe to argue, at the 95% confidence level, that the level of customer satisfaction in the Nigerian Telecom Industry is a function of the age of users.

Secondly, the result of the study shows that customer satisfaction is not influenced by sex. The implication of this finding is that telecommunication service providers should pay equal attention to both male and female in their drive for customers. This finding deviates from the outcome of the study conducted by Bryant et al, (1996) in which they observed that female customers are more satisfied than the male customers. They further said that women are more involved with the process of purchase and possibly use the mobile phone more for relational purposes (social network device) while men use it for functional purposes (businesses, sales, etc). Venn & Fone (2005) conducted a study on patient satisfaction with general practitioner services in Wales using logistic regression and reported that satisfaction varied with gender. This agrees with the opinion of Bryant and his contemporary.

Thirdly, the study shows that customer satisfaction is a function of age. This means that satisfaction increases with age. The implication of this finding is that telecommunication firms should endeavour to identify the age bracket(s) that are more satisfied with their service with the aim of improving on their offers to this set of people. This finding is in consonance with the study conducted by Palvia & Palvia (1999) who concluded that age is a significant determinant of satisfaction with information technology industry. Turel & Serenko (2006) in their study on customer satisfaction with mobile services in Canada using ASCI, reported in line with the assertion of the researcher that age has a significant influence on customer satisfaction. Meanwhile, this finding disagrees with Oyewole (2001) in his research on customer satisfaction with airline services in which he said that age has no significant influence on customers satisfaction. Similarly, Jessie & Sheila (2001) in their empirical work on patents' assessment of satisfaction and quality in which they concluded that age have minimal influence on satisfaction.

Fourthly, the study reveals that there is a relationship between respondents' subscription and type of Network. This means that subscribers prefer some networks to another. The implication of this is that any telecommunication firm that is not rendering quality service to its customers may be punished by the customers' withdrawal of his or her patronage. A close look at the telecommunication industry in Nigeria shows that there is a stiff competition among the players in the industry. More so, the cost associated with switching from one firm to another is very minimal.

The variables for measuring Network performance include network coverage, speed with which calls are connected, network clarity, speed of complaints resolution, SMS/MMS delivery, etc. The findings concur with the outcome of the study conducted by Eniola (2006) in which he observed a strong relationship between network quality and customer satisfaction.

5. CONCLUSION/ RECOMMENDATION

It was observed that the level of customer satisfaction is a function of the age of users and service providers. The implication is that the products offered by the telecommunications service providers tend to favor some age groups more than others. To this end, there is the need for the service providers to conduct extensive market surveys to ascertain the preferred products for the various age brackets with a view to adopting strategies to satisfy the various age brackets. Such a move will, no doubt, help to minimize the discrepancy in satisfaction between the various age groups significantly. More so, service providers should strive toward providing excellent service since it is germane to customers satisfaction.

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