

The Effect Of Service Quality Dimensions On Customer Satisfaction: Multi Sectorial Application On Communication Sector

Cumhur AYDINLI

Mevlana University
Faculty of Management
Konya, Turkey
caydinli@mevlana.edu.tr

Sıddık ARSLAN

Gazi University
Collage of Banking and Insurance
Ankara, Turkey
sarslan@gazi.edu.tr

Extensive Summary

Introduction

In this modern age of information and communication, communication sector has acquired a significant place in the Turkish economy following the global trend. Today, thanks to the large market-share of the communication sector, a considerable number of business people are entering the market, investing heavily into the infrastructure. According to the report of Information Technologies and Communication Authority of Turkey (BTK, 2014: 29-40), companies in this sector have reached net revenue of 35.5 billion TRY at the end of 2014. Furthermore, the market share of mobile operators, who continuously increase their share in total revenues, increased up to 57.5%. The market share of Turkish Telecom, the biggest Internet provider, is 21.7% whereas the others are about 20.8%.

The results above reflect that the internet and GSM service sectors are working towards achieving a higher position in the competition in our country where the sector is developing fast. The customers, who have been gaining awareness in this growing market, have now increased their expectations from the service; therefore, the concept of quality has a stronger emphasis. Communication sector have targeted at increasing the quality of their services in order to establish long-term relations with their customers, and maintain customer satisfaction for retaining loyal customers within this scope. Therefore, it is of vital importance to perform needs and expectations analysis, in other words, market research

Aim and Model of This Research

The aim of this research is to study the effect of 5 dimensions of service quality on customer satisfaction. Within this framework, a multi-sectoral study was designed that covers GSM service providers and internet service providers in the communications sector in Turkey. The literature review revealed that quality was reviewed in two dimensions (Zeithaml, 1998):

- Objective quality
- Perceived quality

Perceived quality in this research was studied based on after-sales customer perception, as found in several studies such as (Başanbaş, 2012; Demir and Eray, 2015).

The theoretical model that forms the basis of this study was developed using the factors of SERVPERF scale dimensions. Figure 1 below renders the theoretical model developed for this study.

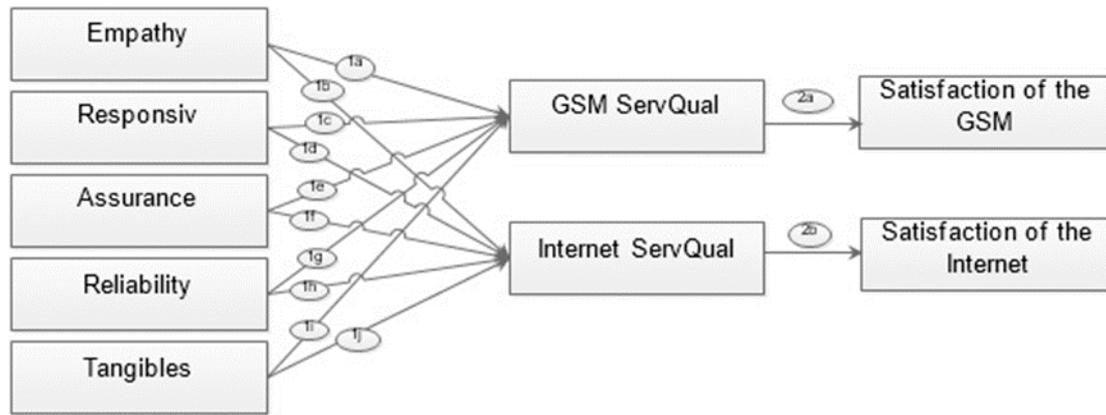


Figure 1: The model which determines the relation between GSM and internet service quality and customer satisfaction

In this research; 469 GSM service customers and 305 Internet service customers were asked about their preferences using the survey method. GSM companies are listed as Avea, Turkcell, Vodafone, and other. Internet service providers are listed as TTnet, Türknet, Biri, Doping, Superonline, Uydunet and other.

Survey questions are chosen to reflect the customer point of view and all questions aim to examine the quality of service in terms of five main dimensions. Survey results are put to validity and reliability analysis before usage. Then the valid and reliable data is used to prove the hypothesis by Structural Equation Model method. Moreover, correlation and ANOVA tests were proposed in order to elaborate the significant differences between dependent and independent variables.

The hypotheses to be proven in this study are as follows:

H1 There is a meaningful relationship between the service quality dimensions, service quality and customer satisfaction.

H1_a Empathy has a meaningful effect on the service quality of the GSM operator services.

H1_b Empathy has a meaningful effect on internet service quality.

H1_c Eagerness has a meaningful effect on the service quality of the GSM operator services.

H1_d Eagerness has a meaningful effect on internet service quality.

H1_e Assurance has a meaningful effect on the service quality of the GSM operator services.

H1_f Assurance has a meaningful effect on internet service quality.

H1_g Reliability has a meaningful effect on the service quality of the GSM operator services.

H1_h Reliability has a meaningful effect on internet service quality.

H1_i Physical appearance has a meaningful effect on the service quality of the GSM operator services.

H1_j Physical appearance has a meaningful effect on internet service quality

H2_a Service quality has a meaningful effect on the service quality of the GSM operator services.

H2_b Service quality, has a meaningful effect on internet service quality.

Conclusion and Discussion

By examining the results of this research and analyzing the results; it is observed that the quality of GSM or Internet service has high impact over customer satisfaction. According to analysis result; one unit of improvement in the quality of services in the GSM sector has an impact rate of 0.86 over customer satisfaction, this rate is 0.93 in the Internet sector.

Hence, it is considered that the importance given to service quality by GSM and Internet service providers directly affect customer satisfaction.

Five main factors seem to highly effect the quality of service in both sectors. For the GSM sector; empathy and security, and for the Internet sector; reliability and physical appearance are determined to stand out among five main dimensions.

Considering the results; GSM and Internet providers should value all five main factors and pay individual attention to each one. Besides this, paying special attention to empathy and security dimensions in GSM sector and paying special attention to safety and physical appearance dimensions in Internet sector would advantage companies of both sectors in terms of customer satisfaction.

Among GSM service users, customers who are paying lower bills are observed to be more satisfied compared to the customers who are paying higher bills. However, due to the results of correlation analysis an opposite situation has been observed among Internet service customers; high paying customers are more satisfied compared to low paying customers. Considering the results; the quality of the provided service is enough and meets customer expectations for the low paying GSM customers but not the high paying ones. That raises the possibility that the expectations of the high paying customers aren't fully met by the provider. On the other hand, having high paying customers more satisfied than the low paying ones in Internet sector reveals the possibility that Internet service providers increase the quality of their services directly proportional with the increase of the bills. However, due to the limited research data we have it is considered that a separate research on the matter would give better, more detailed and accurate results.

According to the study conducted in the GSM sector, having an inverse relation between the income level and service quality satisfaction level matches the inverse relation between paid bill amount and satisfaction level. This reveals the fact that it is getting harder for service providers to meet the expectations of the high paying customers. In the Internet sector, there seems to be no meaningful relation between the income level and satisfaction level, however, there clearly is a direct relationship between the amount of the bill paid and the satisfaction level. Under the light of all these observations, we could say:

In GSM industry; having the same quality for reception level, messaging speed, conversation clarity and such for both high and low paying customers but only differing in the amount of messages or talking minutes explains why low paying customers are more satisfied compared to high paying ones. On the other hand, high paying Internet service customers not only get better quality but also get higher amount of services such as higher download and upload speeds which makes them more satisfied compared to low paying customers.

Results obtained from age-independent variable are considered to be quite interesting. The level of satisfaction is inversely proportional with the age. The younger the customers are the more satisfied they are. Investigating the direct relationship between elderly customers are lower satisfaction levels would make an interesting study and would definitely fill a gap in the area.

Considering the limits of this research, extra factors such as price, special deals, and security standpoints could be used to increase the customer satisfaction and loyalty percentage levels. And also the same GSM and Internet provider surveys could be given to users in different cities of Turkey to investigate regional differences and relations. In addition, the influence of the internet quality of GSM providers could be examined to find out the effect of internet over customer satisfaction in GSM sector. And in Internet sector, price and terms/contracts could be examined to see if they have any kind of effect over customer satisfaction.