CHAPTER-V

CONCLUSIONS

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Service quality has become a significant differentiator and the most powerful weapon to counter the competition which most of the service sector organizations want to attain (Berry et al., 1988). In their quest to be the market leader in the sharp competition the service providers must ensure ways to improve service quality. In order to ensure customer satisfaction and increase the profits in the business organizations various thinkers, researchers and business managers have tried to dig deep into various variables of service quality.

Customer’s service varies by product, industry and customer. It however, assume important dimension in the service sector. This is because Customer’s measurement of service quality is very essential information for every service provider, particularly those who want to supplement their business performance, and stay ahead in the highly competitive market. The company that provides better quality of service will have a better profitability. Therefore, almost every service provider nowadays seeks out competitive advantage by providing superior services.

Customer satisfaction is important to marketers of service sector because, like service quality, it is generally accepted to be a key determinant of consumers’ future behavioral intentions. Particularly, customer satisfaction is a significant function of repeat sales, positive word-of-mouth and consumer loyalty (Bearden & Teel, 1983).

There are certain demographic and psychographic factors and other attributes which affect the individual’s perception and expectation level for a service. Every individual is an unique personality in himself. What is important parameter of service
quality to one person may be of no value to the other one depending upon individual’s perception of the situation as well as his own ability to cope with that situation. In order for complaint handling to take place, it has to be preceded by the identification of a problem either by the consumer or the company. In majority of the cases the identification of a failure and, is the most common situation in which the customer signals it, ultimately confronting the company with the problem are the key pre conditions of the process, in a lot of cases however the customers might choose not to complain after a failure (Dube & Maute, 1996).

Customer satisfaction leads to customer retention, this is the major cause behind the companies intense focus on customer satisfaction is that. It has been denoted that loyal customers provides the largest revenue to the service companies, as the costs of serving regular customers are lower than the ones of attracting and serving new customers. The long term relationship between the service provider and their customers is considered in the concept of relationship marketing, which focuses on customer keeping instead of customer catching.

Service quality positively influences the perceptions of the consumer and also leads to customer satisfaction, indicating that when telecom companies provide good service quality, perceived value and customer satisfaction can be positively impacted. In other words, the higher perceived value can result in to a higher customer satisfaction.

In the ever burgeoning competition in the environment, quality services and customer satisfaction are critical to corporate success. Delivering high quality services is closely linked to profits, cost savings and market share. Companies should be aware of the fact that customer dissatisfaction results into the customer exit which further leads to
financial loss to the company. Another benefit from achieving satisfied customers is the fact that the willingness to repurchase is much higher for satisfied customers than for dissatisfied and indifferent ones.

For the investigative purposes related to the research study, certain important demographic factors have been studied in detail. The demographic factors like age, gender, annual income, marital Status, educational level, expenditure on the mobile service every month and nature & type of occupation have been deeply studied to understand the psyche of the respondents and varied effects on them under different situations.

To arrive at a meaningful conclusion, this comprehensive study has been conducted on the public and private telecom sectors. The various demographic and other factors are accountable for wider dispersion in the responses.

The parameters on which the study has been conducted include the various variables of service quality like tangibility reliability, empathy, responsiveness, assurance and technical quality. Similarly various factors like the policies and procedures the Telecom Company used to handle my complaint, the way the company dealt with the complaint, whether the customer was given the opportunity to tell his side of the story, etc. equally affect the satisfaction of the consumer from the service quality and complaint redressal mechanism of the company. Also there are parameters which examine the relationship of service quality with customer loyalty.

This review has highlighted the fact that service quality and effective complaint handling leads to customer satisfaction and long term retention of the customer, ultimately resulting into profit maximization. As a result, service quality
service sector.

The purpose of this review was to synthesize the vast array of literature that exists on the topic of service quality, customer satisfaction, loyalty and complaint redressal system and draw some relevant conclusions regarding (1) the variables impacting the service quality, the complaint redressal mechanism of the company and (2) the examine the relationship of service quality with customer loyalty. The review also aimed to identify areas where further research was necessary and the methodological flaws in existing research that needed to be addressed in that research.

To fully understand the phenomenon of service quality, the review first documented that there is general agreement by scholars that the concepts of customer satisfaction and service quality are highly interrelated and recent research by scholars give empirical support for the same. However, customer satisfaction and customer loyalty are also influenced by several factors such as effective complaint handling as well. Furthermore, it was established that the SERVQUAL model is a widely used and reliable method of measuring service quality. In identifying this process, a plethora of contributory and other factors related to the telecom services were identified. These factors included individual’s expectations and perceptions from the telecom service provider the complaint handling procedure, and the relevant factors.

Researchers remain unclear about the explanation or prediction of factors leading to customer satisfaction and customer loyalty. This information about
researches may be more useful in informing interventions as it instructs researchers about ‘how’ service quality variables effect the overall satisfaction, rather than simply indicating ‘if’ they change.

Firms should be more considerate for their complaining customers. It is important to note that bad complaint handling is a major reason of customer defection. Instead of considering the complaints as an unnecessary responsibility, the business houses should consider complaints as a second opportunity offered by customers who, in spite of being dissatisfied, wish to stay longer with their service provider company. As a matter of fact, complaints should be motivated so that this opportunity can be encashed.

Probably the most significant conclusion to be drawn from this review is the fact that the customer satisfaction and service quality are the most critical factors for the survival in the highly competitive telecom market. Service quality is generally defined as the difference between the service expectations and actual performance perceptions. Majorly the research in service quality has been dominated by the SERVQUAL model, a multiple-item scale for measuring consumer perceptions of service quality. The basic idea floated by this model is that service quality is a function of the difference scores or gaps between expectations and perceptions (P - E). It has been proposed that service quality is a multidimensional concept (Parasuraman et al., 1985). Various key dimensions of service quality namely reliability, responsiveness, empathy, assurance; tangibility and technical quality have been identified. However, while this tool has been validated in many countries, it is necessary to conduct large studies on normative populations. With standardized population data, it is possible to
benchmark organizations and plot their progress against the service quality parameters. With such an instrument, researchers and the business houses can begin to identify parameters which help them in working towards a successful competitive organization.

The difference between customers’ expectations and customers’ perceptions of the service quality in telecom sector has been examined. We find that the respondents’ overall expectation on a scale of 1 to 5 high which implies that customers expect a lot from their service providers. Looking at the individual dimensions we realize that customers expect a lot from their service provider. Telecom Service providers therefore have to pay a lot of attention to the service quality and the complaint redressal system of services that they provide. This shows that this dimension is very important when measuring service quality in telecom sector and this is in line with the technical dimension of service quality suggested by Gronroos, (1982).

5.1 CONCLUSIONS

1. The complaint redressal system used by the Telecom Companies under study has been analysed. It is found that all the companies are following a standard complaint redressal system as per the guidelines of TRAI. The three step process consists of registering the complaint to the local office or the customer care. If the problem is not solved at the first step the complainant can move to the nodal officer. If still unsatisfied the Appellate authority is the last resort.
2. In the case of the respondents of the Public Sector, Remunerative Compensation, they receive from the complaint redressal mechanism is the most important factor they consider while judging their service provider. However they do not give much importance to the negative attitude of the staff. Interestingly the mean score shows that not majority of them have received adequate compensation.

3. The Private Sector mobile respondents however differ in their opinion. Majority of them have received adequate compensation from their service provider while getting their complaint redressed.

4. The analysis reveals that the correlation between service quality and complaint redressal system in the case of private sector is more significant as compared to the public sector. The complaint redressal system is seen to impact the perception of the customer about the service provider, so the Telecom Service providers companies should try and offer better services which have a more intact complaint redressal mechanism in place.

5. Customer perception plays very important role in service satisfaction and should be taken into consideration by the service provider from time to time to raise the service level satisfaction among customer.

6. The perception of the respondents of the mobile service provider regarding the overall services quality was analyzed. The majority of the users of the private sector find that their service provider gives superior services and has a very good standard of the service quality and the services offered are one of the best available, whereas the respondents of the public sector completely differ in their opinion.
7. Relationship between service quality and customer loyalty is significant. Better service quality leads to improved customer loyalty.

8. The respondents of the private sector mobile services are less price sensitive and remain loyal with their Service provider, whereas the same is not reflected in the case of the respondents of the public sector service providers.

9. In case of the private sector telecom sector the respondents are relatively satisfied with the service quality, whereas in the public sector they feel less satisfied as compared to their private sector counterparts.

10. On comparison the gap between the perception and expectation is found to be wider in the case of public sector. This shows that users of such services are lesser satisfied with their service provider.

5.2 RECOMMENDATIONS

The following recommendations are made to improve the service quality and the complaint handling system in the Telecom Sector:

1. It is seen that the customer expects that his service provider should have modernized equipments and should also support the latest technology. This indicates that the overall service quality level can be increased significantly if the service providers could improve their services in these areas as per customer demands. Hence the organizations should endeavour to ensure that they provide the latest technology and modernization equipments to their customers.

2. The Public Sector organizations should endeavour to give improved service quality in order to improve service quality. In this way, perception of the
consumer of this particular company can increase, simultaneously increasing the service quality.

3. Customer satisfaction is directly affected by the customer care services. Resolution of complaints in an empathetic way keeps the customer happy and overall happy with the service quality. Any kind of complaints should be handled well in time as per the TRAI guidelines. Service provider should reach more closer to customer and should be more responsive. This requires an effective & efficient Complaint Redressal Mechanism (as recommended in the suggested model, figure. 4.2) which must be accessible to customers and should have the skill to resolve their complaints in timely manner.

4. Service quality impacts customer satisfaction. Customer satisfaction with reference to the mobile services needs to be measured in terms of customer expectations & customer perception, which changes from person to person.

Customer perception plays very important role in service satisfaction. The telecom service provider should ensure that the technical quality parameters of the service quality should be taken in to consideration by the service provider from time to time to raise the service level satisfaction among customer.

5. The huge difference between the observed value and set benchmark value indicates that there exists a big gap between the desired service and delivered service in the Public Sector Telecom. The Public sector should take measures in the technical and responsiveness dimensions to bridge this gap.
6. The competitive environment demands constant assessment of service quality to meet rapid changes in customers’ demand. Hence, the mobile operators (both Public and Private) should also focus on other dimensions of tangibility; responsiveness, technical quality, reliability, assurance, and empathy because these aspects significantly affect customers’ perception of service quality of mobile phone service provider and should take more care to analyze the customers’ needs and generate the innovative value added services to withstand in the mobile phone service market.

7. The companies should find ways to retain the existing customer by ensuring quality services to the customer. Service quality is the key to customer retention and future profitability.

The service quality was analyzed from customer expectation and perception point of view. It is observed that the Private Sector customer lays more stress on the technological aspect of the service; according to the customers it is important for the service provider to provide a variety of the entertainment services. And also he expects that his service provider should have modernized equipments and should also support the latest technology. This indicates that the overall customer satisfaction level can be increased significantly if service providers could improve their services in these areas as per customer demands. Here service providers have to take the real efforts in order to increase the overall service satisfaction level.

The statistical findings imply that by providing quality the service provider can certainly ensure that the customers would stay with the brand. There relationship between service quality and customer loyalty is a signal for the managements of the Telecom
This reflects that developing that the service provider firms should maintain high service quality standards. Also by ensuring a good complaint redressal mechanism in place the companies can improve the overall service quality of their organizations.

This study has highlighted a number of key issues that are useful to assisting the managers in the telecommunication market. The issues discussed stress upon a number of areas that have been shown to have significant impact for consumers’ satisfaction and subsequent loyalty to his telecom service provider. Also the key parameters relating to the complaint redressal mechanism have also been discussed. It is evident that the service provider companies must identify the needs of the customers and gaps in the service delivery and develop appropriate service quality strategies to meet such requirements. This is so because this study had shown that there is a strong relationship between customers’ perceived service quality level and customer satisfaction. That is if customers’ perceived service quality level is high satisfaction will also be high. Surely, quality service results into customer loyalty and retention. The study has shown that customers’ retention is achieved only when the customers believe that customers services offered are effective and high.

Hence we can conclude that understanding how consumers perceive service quality and being able to measure service quality can benefit the service providers of the Telecommunication services. Analyzing the service quality can help the service provider gather reliable and authentic information that can be used to maintain and improve the service quality. Also continuous audit of the complaint redressal system and the complaints of the customers helps in increasing the retention rates. By making use of the
available models to assess service quality helps in the better understanding of the various dimensions and how they impact the service quality and customer satisfaction. This would help them to make the necessary improvements.

One should not forget that service quality is the most important variable to emphasize on and improve constantly, but complaint management should be developed congruently. Similar kind of study can be undertaken for the CDMA Services. Service quality and complaint redressal of various other industries can also be explore.

REFERENCES
