

**ASSESSMENT OF CUSTOMER PERCEPTION TOWARDS  
THE MOBILESERVICE QUALITY OF ETHIO-TELECOM,  
WOLKITE BRANCHE**



**Wolkite University**  
*We Strive for Wisdom!*

**COLLEGE OF BUSINESS AND ECONOMICS DEPARTMENT  
OF MARKETING MANNAGEMENT**

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## ***Abstract***

*This study is to assess and analyze customer satisfaction with service delivery of mobile telecommunication service within wolkite beanch. The statement problem of this study is mainly rotates on customers are satisfied or dissatisfied with service delivery of ethio-telecom with regarding on mobile telecommunication service. The study is basically a survey those both qualitative and quantitative approaches. A structured questionnaire was developed, pre-test and personally administered to the target population of individual mobile subscribers. In this study, self-administered and structured questionnaire used to collect data from respondents. Since this research is about the study of customer satisfaction with service delivery of ethio telecom, to describe or portray a reality regarding customer satisfaction with service quality to better understanding those service quality dimensions that customers are satisfied or dissatisfied with, so this has necessitated a descriptive research design has undertaken for a research. Generally, customers are not satisfied with service quality delivered by ethio-telecom in Ethiopia regarding on mobile service or that their satisfaction is considered too low, but customer satisfaction is better than expected and at least equal to expectation on some service quality dimension items.*

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# CHAPTER ONE

## INTRODUCTION

### 1.1. Background of the study

In service industry, the concept of quality holds the main position. The relationship with the customer was based on the promise that customer satisfaction is achieved through providing standard quality of service. The high quality demands on customers end is becoming prominent due to the growing fact that high level of service quality leads to sustainable competitive advantage in the competitive business environment (Sureshchandar, 2002)

It is not surprising to know that quality level of services is the leading phenomena to plan strategies in the services firms (Khamalah and Lingaraj 2007).

Service has been defined in many ways by various scholars through time. Still there is no universal definition of service. But these are well known definitions of service. A service is any act or performance that one party can offer to another that is essentially intangible and does not result in ownership of anything. Its production may or may not be tied to a physical product (Kotler& Keller, 2012). Another definition is by Gronroos, (2001) defined service as an activity or series of activities of more or less intangible nature that normally, but not necessarily, take place in interactions between the customer and service employee and/or systems of the service provider, which are provided as solutions to customer problems.

The intangible nature of service products makes it difficult for service firms to measure their characteristics and ascertain whether they meet specifications. This is because consumers cannot evaluate services before purchasing them (Zeithaml et al. 1985).It is often difficult for management to be present during every service delivery, and so it must depend heavily on employees to the customer perception

Customer service is the provision of service to customers, before, during and after a purchase. Creating satisfied customers include prompt and effective response and solutions to their need and complain

According to the study by Collart (2000), one of the determinants of success of a firm is how the customer perceives the service quality, as this is the key driver of the perceived value. It is the perceived value which determines customers’.

Quality is generally regarded as being a key factor in the creation of worth and in influencing customer perception. Hence, the telecommunication industry has to be strategically positioned to provide quality service to satisfy customer. To provide improved quality service, telecommunication companies need to investigate degree of customers’ sensitivity and expectation towards service quality. Armed with such information, telecommunication outfits are then able to strategically focus service quality objectives and procedures to fit the market.

The formerly known “Ethiopian Telecommunications Corporation (ETC)” is introduced in 1894, the invention of telephone technology in the world. ETC is state owned sole telecommunication service provider in Ethiopia. The Ethiopian government has decided to transform the telecommunication infrastructure and services to world class standard, considering them as a key lever to the development of Ethiopia. Thus, Ethio Telecom (ET) is born out of ETC on December 2, 2011, in order to bring about a paradigm shift in the development of the telecom sector to support the steady growth of our country.

Currently Ethio Telecom provide telecom service in the entire country on voice, internet, data, channels and value added services (VAS) with comprehensive plans in place to meet the requirements set out by the Ministry of Communications & Information Technology (MCIT) and peoples of Ethiopia ([www.ethiotelecom.et](http://www.ethiotelecom.et)).

In ethio telecom, wolkite branch are trying to satisfy customers satisfaction to improve customers perception. By reducing the overall cost of transaction and improving the quality of interaction with customers. But it's becoming difficult for wolkite branch to make a balance between quality and efficiency while trying to achieve companies’ objectives. The major objective of this study, therefore, is to assess the service quality dimensions on customer perception in ethio telecom wolkite branch and to find out important dimensions of services having greater influence on customer perception.

## **1.2. Statement of the problem**

Nowadays cellular mobile was a very necessary product for our daily communication. Even though, the sole telecom provider has recently concluded a huge expansion project in terms of telecom and other IT services, the network problem has been occur.

Currently, customers are complaining about the mobile network that is becoming worse as time goes on and being charged for service provision which didn't take place for cell phones (Parasuraman et al (1988)).

The problem starts with it being service, the characteristic of service is different from that of goods which are, one is intangibility means service cannot touch and seen. The next is perish ability service cannot be stored. Third, inseparability, service is consumed and produced at one and same time. In most services, quality occurs during service delivery, usually in an interaction between the customer and contact personnel of the service firms. For this reason, Zeithamal, Valerie A., Berry, Leonard L., and Parasuraman (1988), said service quality is highly dependent on the performance of employees, an organizational resource that cannot be controlled to the degree that components of tangible good can be engineered. Last, heterogeneity, the service provided by the provider varies based on their experience and emotion this also works for the customer. Here also high call charge, data and SMS cost.

This study seeks to answer the following research questions:

## **1.3. Research questions**

- 1: What is the customer's perception towards service quality provided by Ethio Telecom?
- 2: What are the relationship between the customer perception and a mobile service quality?
- 3: What will the service quality variables to measure the service quality of Ethio telecom as perceived by mobile service customers?

## **1.4. Objectives of the study**

### **1.4.1. GENERAL OBJECTIVES**

The major objective of the study would be to assess customers perceived service quality towards the mobile service quality of Ethiopian Telecom.

### **1.4.2. SPECIFIC OBJECTIVES**

- To assess the customer's perception towards service quality provided by Ethio Telecom?
- To examine the relationship between the service quality and customer perception
- To identify service quality variables that used to measure the service quality of Ethio telecom as perceived by mobile service customers?

### 1.5. SIGNIFICANCE OF THE STUDY

This study will give us the following benefits

- The researcher will improve experience about how to work good research paper
- It will help the organization to know and to address problems of customer perception towards the mobile service quality.
- This research will be used as a reference material for further investigation with more sample size, time and resource assigned.

### 1.6 Definition of key Terms

**Service quality:-** vary only in term of word used but the perceived service delivery meet, excess or fails to satisfied customer expectations. Services quality is vital indicator for satisfaction. Pay attention to service quality can help to catch competitive edge (Cronin and Taylor, 1992, Oliver, 1993, berry, 1993)

### Customer Perception

Perceptions are defined in various ways. Strydom, Jooste and Cant (2000:84) define customer perception as the process of receiving, organizing and assigning meaning to information or stimuli detected by the customer's five senses and opine that it gives meaning to the world that surrounds the customer. Perceptions are also described as the end result of a number of observations by the customer.

**Tangibility:** As the name suggested that all the tangible things or physical facilities including personnel, equipment, building and renovation etc. (OluOjo, 2008).

**Reliability:** It describes the capabilities to fulfill promised services accurately and dependably (OluOjo, 2008).

**Responsiveness:** mean that the employees always willing to help the customers and they should have a time to respond to customers request. Tell the employs exact time about service deliveries. Employees are available for prompt services (Cronin and Taylor, 1992)

**Assurance: -:** It involves the understandings and courtesy of employees, their capabilities to convey confidence and trust. Assurance consists of courtesy, competence; security and credibility (OluOjo, 2008).

**Empathy:** It consists of caring and customized responsiveness to customers. This empathy contains communication, access and understanding the customer (OluOjo, 2008).

### **1.7. Scope of the study**

Due to time and cost constraint this study would be delimited to assessing customer perception and service quality at Ethio telecom, wolkite town because it is difficult to conduct all entire Ethio telecom branch found in Ethiopia.

### **1.8 Organization of the paper**

The paper will contain five main chapters .Each chapter will have its own subsections. Chapter one introduce the paper ,back ground of the study ,statement of the problem, research question ,objective of the study ,scope of the study ,significant of the study ,limitation of the study and organization of the paper. Chapter two will discuss about related literature review, third chapter will discuss about the research methodology, and the fourth will be about data analysis and presentation of the study. Finally, the last chapter will include conclusion and recommendation of the study.

## **CHAPTER TWO**

### **2. Review of Related Literature**

#### **2.1. Service**

Researchers have tried to define service and to explain what service constitutes. There are many definitions regarding the concepts of service. Services are deeds, processes, and performances (Parasuraman et al. 1985).

Gronroos (2000, p.46) defined service as: “An activity or series of activities of more or less intangibles nature that normally, but not necessarily, take place in interactions between the customer and service employees and/or physical resources or goods and I or systems of service provider, which are provided as solutions to customer problems”.

Whereas Kotler ET. al. (1989) defined service as any activity or benefit that one party offers to another which is essentially intangible and does not result in the ownership of anything, and it may or may not be tied to a physical product.

#### **2.2. Service Characteristics**

It is very important to understand the overall characteristics of services and what actually characterizes services. In general there are some service characteristics which can be generalized, even though many service industries are heterogeneous.

According to Parasuraman et al. (1985) there are a number of unique characteristics that separate services from tangible goods: The most common characteristics that have been found and described by researchers are the following:

##### **2.2.1. INTANGIBILITY**

Services are not tangible; when you buy a service there is nothing to be shown as tangible. Services are not things, but they are deeds or efforts. In essence the performances of most services are supported by tangibles. In general, companies offer a combination of tangible and intangible elements; the product is in many cases associated with service delivery.

##### **2.2.2. INSEPARABILITY**

Another characteristic of services is that production is inseparable from consumption. Inseparability is taken to reflect the simultaneous delivery and consumption of services. Customers participate in the production process or delivery process; there is an interaction between the service provider, the service environment and the customer. This enables consumers to affect or shape the performance and

quality of the service (Gronroos, 1978). Goods are first produced, then sold and then consumed; services are first sold, then produced and consumed simultaneously. Customer must be present during the production of many services, for example in haircuts, airplane trips, restaurants etc. Thus, inseparability forces the buyer into intimate contact with the production process. As a result, other customers are a part of the service consumption.

### **2.2.3. HETEROGENEITY**

Services are not homogeneous and are less standardized and uniform. Heterogeneity reflects the potential for high variability in service delivery. For example: the quality and essence of a service can vary from producer to producer, from customer to customer, and from day to day, and people's performance fluctuates up and down. Service industries tend to differ regarding the extent to which they "people based" or "equipment based" (Thomas, 1978). People-based services vary depending to those that deliver the service whether they are skilled or professional workers as the service performance is delivered by different people and the performance of people can vary. It also varies the service delivered that is equipment based depending from the operators itself.

### **2.2.4. PERISH ABILITY**

The fourth characteristic of services highlighted in the literature is perish ability. In general, services cannot be inventoried and carried forward to future time. For example: hotel rooms not occupied, empty tables in a restaurant, airline seats not purchased, and telephone line capacity not used can be seen a revenue opportunity lost forever. Services depend on time which makes them very perishable.

The perish ability of services is not a problem when the demand is steady, because it is easy to staff the services in advance, when demand fluctuates, service companies have difficult problems. Thus, service marketers need to manage the demand but also the supply in order to obtain a profitable equilibrium.

Because services are performances that cannot be stored, service businesses frequently find it difficult to synchronize supply and demand. Sometimes too much demand exists, for example: a popular restaurant on a Saturday night.

The characteristic discussed above constitute the four traditional characteristics of services; however, in business marketing two additional characteristics can be added: Specialization and technology. The literature suggests that each unique characteristic of services leads to specific problems for service marketers and necessitates special strategies for dealing with them.

## 2.3. Service Quality

### 2.3.1. SERVICE QUALITY DEFINED

The service quality from the customer's perspective means how well the service meets or exceeds expectations. Because of the customer-oriented market, service quality is generally defined from the customer's perspective, which is usually termed as perceived service quality (Fisk, Grove & John 2004:153).

Fisk et al (2008:153) define service quality from the service provider's perspective as the degree to which the service's features comply with the organization's specifications and requirements; from the customer's perspective this implies whether the service meets or exceeds his or her expectations. More specifically, the service provider must be quality-oriented, and the system must be designed to support that mission by being controlled and delivered correctly while making profit for the organization. The customer's overall judgment of service quality can be an evaluation of both the process and the outcome, compared with the customer's own expectations and desired benefits. However, different provider-based and customer-based perspectives of service quality can be generated by subsequent encounters with the profit-oriented organization. Thus, this leads to an important concept in assessing quality from perceived service quality. Service quality has been defined as the degree and direction between customer service expectations and perceptions (Newman, 2001). Perceived service quality is defined as the evaluation of the service across the episodes when compared to some explicit or implicit standard (Storbacka et al., 1994). Further, it can be seen as how well a service satisfies the expectations of customers (Baumann and van der Wile, 1992).

The importance of service quality is seen in the effect that it has on the organization as a whole. It is seen in the following ways:

- 1) Service quality has an effect on customer satisfaction (Arasli et al., 2005; Zeithaml and Bitner, 2003; Kandampully, 1998). Using the confirmation model, satisfaction will be experienced by the customer, should the perceptions (of the actual experience) exceed the expectations of customers.
- 2) Service quality has an effect on customer loyalty (Heskett, 2002; Kandampully, 1998). Loyalty is experienced by the organization when the perceived service quality experienced by the customers exceeds that which is offered by the competitors. The delivering of service quality to customers is required in the long term if the organization is to experience the benefits of customer loyalty (Kandampully, 1998).
- 3) Service quality creates competitive advantage for organizations and is associated with successful organizations (Kandampully, 1998). It has been said that many organizations sell a similar product of similar quality, and that the differentiator between them is the service quality that is offered to the customer (Arasli et al., 2005).

4) Service quality affects relationships and relationship marketing, as customers are willing to build relationships with organizations that provide service quality (Zeithaml and Bitner, 2003).

5) Service quality has an effect on profitability and costs (Buttle, 1996). As service quality impacts on customer satisfaction, this also impacts on customer retention, reduction of costs and increased profitability (Zeithaml et al., 2006).

### **2.3.2. PERCEIVED SERVICE QUALITY**

The term perceived service quality has been frequently used by practitioners and academicians in the past few decades, whereas there hasn't been any generally accepted definition yet. The consensus about perceived service quality is that it is a consumer's evaluative judgment or impression regarding a service provider's overall performance or excellence (Parasuraman et al., 1985, 1988; Cronin & Taylor, 1992; Boulding et al., 1993). The theoretical conceptualization of perceived service quality indicates that it is a multidimensional, higher-order construct and can't be measured in a single dimension (e.g., Brady & Cronin, 2001; Parasuraman et al., 1988).

Parasuraman, Zeithaml, and Berry (1988) and Oliver (1997) defined PSQ as a global judgment of the service, thus treating it as a cognitive construct. Perceived service quality refers to the customer's evaluation of an organization's service based on his or her overall experience of the continuous service encounter (Woodruff 1995:106; Fisk et al 2008:153). Parasuraman, Zeithaml and Berry (1985) define service quality as the overall evaluation of a specific service determined by comparing the firm's performance with the customer's general expectations of how firms in that industry should perform. Perceived service quality is viewed as an overall appraisal of service (Bitner and Hubert 1994) and as an attitude based on the customer's perception of performance (Cronin and Taylor 1992, 1994; Boulding et al. 1993).

## **2.4. SERVQUAL**

### **2.4.1. ASSURANCE**

Assurance is defined as "the employees' knowledge and courtesy and the service provider's ability to inspire trust and confidence" (Zeithaml et al., 2006, p. 119). According to Andaleeb and Conway (2006), assurance may not be so important relative to other industries where the risk is higher and the outcome of using the service is uncertain. Thus, for the medical and healthcare industry, assurance is an important dimension that customers look at in assessing a hospital or a surgeon for an operation. The trust and confidence may be represented in the personnel who link the customer to the organization (Zeithaml et al., 2006).

### **2.4.2. EMPATHY**

Empathy is defined as the “caring, individualized attention the firm provides its customer (Zeithaml et al., 2006, p. 120). The customer is treated as if he is unique and special.

There are several ways that empathy can be provided: knowing the customer’s name, his preferences and his needs. Many small companies use this ability to provide customized services as a competitive advantage over the larger firms (Zeithaml et al., 2006). This dimension is also more suitable in industries where building relationships with customers ensures the firm’s survival as opposed to “transaction marketing” (Andaleeb& Conway, 2006).

### **2.4.3. RELIABILITY**

Reliability is defined as “the ability to perform the promised service dependably and accurately” or “delivering on its promises” (Zeithaml et al., 2006, p. 117). This dimension is critical as all customers want to deal with firms that keep their promises and this is generally implicitly communicated to the firm’s customers. Some companies such as FedEx may make it an explicit service positioning.

### **2.4.4. RESPONSIVENESS**

Responsiveness “*is* the willingness to help customers and provide prompt service” (Zeithaml et al., 2006, p. 117). This dimension is concerned with dealing with the customer’s requests, questions and complaints promptly and attentively. A firm is known to be responsive when it communicates to its customers how long it would take to get answers or have their problems dealt with. To be successful, companies need to look at responsiveness from the view point of the customer rather than the company’s perspective (Zeithaml et al., 2006).

### **2.4.5. TANGIBLES**

This dimension is defined as the physical appearance of facilities, equipment, staff, and written materials. It translates to the restaurant’s interiors, the appearance and condition of the cutlery, tableware, and uniform of the staff, the appearance and design of the menu, restaurant signage and advertisements (Zeithamal et al., 2006). Tangibles are used by firms to convey image and signal quality (Zeithaml et al., 2006).

### **2.4.6. NETWORK QUALITY**

The ability of service provider to have wider network coverage, excellent voice quality and no (minimum) call drops. (RakshitNegi, 2009; YongguiWand and Hing- PoLo, 2002).

## 2.4.7. CONVENIENCE

The availability of offices near to customer, toll-free numbers, websites, easy to get cards and so on (Fujun Lai and Joe Hutchinson, 2007 and RakshitNegi, 2009).

## 2.5. GAP Model

The gaps model of service quality was first developed by a group of authors, Parasuraman, Zeithaml, Berry, at Texas A&M and North Carolina Universities, in 1985 (Parasuraman, Zeithaml & Berry). Based on exploratory studies of service such as executive interviews and focus groups in four different service businesses the authors proposed a conceptual model of service quality indicating that consumers' perception toward a service quality depends on the four gaps existing in organization – consumer environments. They further developed in-depth measurement scales for service quality in a later year (Parasuraman, Zeithaml, Berry, 1988).

Perceived service quality can be defined as, according to the model, the difference between consumers' expectation and perceptions which eventually depends on the size and the direction of the four gaps concerning the delivery of service quality on the company's side (Fig. 1; Parasuraman, Zeithaml, Berry, 1985).

Customer Gap = f (Gap 1, Gap 2, Gap 3, Gap 4)

The magnitude and the direction of each gap will affect the service quality. For instance, Gap 3 will be favorable if the delivery of a service exceeds the standards of service required by the organization, and it will be unfavorable when the specifications of the service delivered are not met.

A Consumers' perception of the staff of the service company involves a number of factors, which are their experience, knowing and competence, combined with their commitment and willingness to serve the customer. Several studies have found that the following four quality factors are most important or customer's perception of quality and all are related to the behavior of the staff (Edvardsson et al. 1994; Zeithaml & Bitner, 1996). Employee can take the following action to encounter perception of service quality.

- **Plan for effective recovery:** employee should have the capability to response to the service delivery system failures. Employee is required to respond to some way to customer complaints and disappointments.
- **Facilitate adaptability and flexibility:** employee must be able to respond to the customer needs and request to ensure the customer feels that organizations, its employee and its technical systems are devoted in solving their problem.
- **Encourage spontaneity:** it is referred to the unprompted and unsolicited employee actions. Customers feel that the employees are willing to take care of the customer's problem and solve it in a proper manner.

- **Coping with problem customers:** employer must help employee to cope with problem customers by providing skills in taking care of their duties. Gronroos perceived service quality model.

## **2.6. Gronroosperceived service quality model**

In Gronroos' Perceived Service Quality model, expectations are a function of market communications, image, word of mouth, and consumer needs and learning, whereas experience is a product of a technical and functional quality, which is filtered through the image.

Gronroos more clearly shows the existence of a perception gap, although there is no suggestion of "delighting" only of narrowing the gap. However the model has more practical application as it shows factors that contribute to each side of the gap. It demonstrates that the supplier can affect both sides of the gap – most notably by managing customer expectations. In addition it illustrates that the customer experience is a product of the image of supplier quality, not just the actuality. Clearly marketing as well as process and technical quality has an effect on the perception gap.

## **2.7. Customer Perception**

Perceptions are defined in various ways. Strydom, Jooste and Cant (2000:84) define customer perception as the process of receiving, organizing and assigning meaning to information or stimuli detected by the customer's five senses and opine that it gives meaning to the world that surrounds the customer. Perceptions are also described as the end result of a number of observations by the customer. Customers perceive services in terms of quality of services provided and the satisfaction level attained.

Zeithaml and Bitner (1996:103) describe customer perceptions as the subjective assessments of actual service received or experienced and whether they are satisfied with the quality of the service. When customers evaluate whether the quality of service meets their expectations, they always consider their service perceptions relative to expectations. Perception emerged after customer experienced the service. Perception is always considered relative to expectation. Customers' perception equals to how customers perceive the service. Zeithaml *et al.* (2006) stated that customers perceive services in terms of quality of the service and how they satisfied the overall with their experiences. Customers' perceptions are formed subsequent to their experience of the services received from an organization. Furthermore, the level of previous customer experience with certain services that serve by other firms can impact on customers' perception of service quality.

### **2.7.1. FACTORS INFLUENCING CUSTOMER'S SERVICE PERCEPTIONS**

According to Zeithaml and Bitner (1996:104), four factors that influence customers' service perceptions are image, price, and service encounters (moments of truth) and the evidence of service.

### **(a) Image**

Customer perceptions can be affected by the image or reputation of the organization. Keller (1993:3) defines organizational image as “perceptions of an organization reflected in the associations held in customer memory.” The associations can be reflected through contacting with employees and even the service experience itself. Organizational image can assist an organization to build positive customer perceptions of service. This positive image serves as a buffer against incidents of poor service (Zeithaml&Bitner 1996:115).

### **(b) Price**

The price of service can also influence customer perceptions. Because of the intangible nature of the service, customers rely on price as an indicator to judge whether the service can meet their expectations or not. If the price is higher than average price, customers are likely to expect higher quality than others; if price is too low, customers may doubt the ability of organization to deliver the service appropriately. For both situations, the higher or lower expectations will greatly influence customer perceptions of service.

### **(c) Service encounters (moments of truth)**

Service encounter refers to the interaction between the customer and the service provider during a period of time. According to Zeithaml and Bitner (1996:105), when customers have service transactions with a service organization, they can judge the quality of service provided by this organization, through evaluating the concrete service encounters. Customers can receive a snapshot of the organization’s service quality through interactions. Thus, adequate service encounters will improve the positive relationships between the service provider and the customer. Zeithaml and Bitner (1996:107) mention three types of service encounters that can be managed by a service organization to have interactions with customers, namely remote encounters, phone encounters and face-to-face encounters.

**Remote encounter:** These take place when there is no direct human contact between the customer and the service provider. Examples are guests searching for pictures and services offered on a website of a guest house and receiving brochures of travel information after he or she returns home.

Although there is no direct human contact in these remote encounters, each represents an opportunity for hosts to influence the guest’s perceptions of service performance.

**Phone encounters:** This is extended to an electronic encounter responding to rapid information-technology (Bennett &Strydom 2005:288). Electronic encounter refers to the interaction between customers and service providers that occur through the Internet and other multi-media. Almost all service providers rely on electronic encounters to perform customer service. However, the variability of an electronic encounter is greater than that of a remote encounter, taking into account the access to the website, the navigation of the website interface, the tone of voice, employee knowledge, and effectiveness in handling customer issues (Zeithaml& Bitner1996:108).

It is important to deliver effective and functional services to (potential) customers via friendly navigation on website interface and effective employees who are capable of sending specific and factual information to customers.

**Face-to-face encounter:** This takes place between a customer and a service provider in direct contact, meeting in person. The service provider's perceived knowledge, appearance, attitude and other forms of behavior or attributes are important determinants. Zeithaml and Bitner (1996:108) emphasize that customers also play a role in creating quality service for themselves through their own behavior during the face-to-face encounters.

#### **(d) Evidence of service**

The last factor of influencing customer perceptions of service is regarded as the evidence of service. Because services are intangible, customers not only rely on price to evaluate service quality, but also seek for evidence of service in every interaction they have with an organization to build an impression of service perceptions. Zeithaml and Bitner (1996:113) discover three elements of evidence experienced by the customer: people, process and physical evidence.

**Process:** Refers to a series of activities or steps in the service delivery process, the level of flexible function and technology of the service performances, which influence the service perceptions of customers (Lovelock2001:39). For instance, the guests may build up service perceptions from observing a guest waiting in the line to check-in and by the way the employees take a lunch order, manually or by means of a computer.

**People:** Refers to the persons in service transactions including the personnel in service transactions, customers themselves and other customers within the interaction setting (Zeithaml&Bitner 1996:114). For example, the action and the attitude of the personnel at a reception desk in a guest house will be judged on the impression of perception in terms of the employee's politeness and effectiveness. Moreover, customers share the service environment with other customers as they consume the service. Fellow customers can either enhance or detract from a customer's perception of quality (Wu 2007:1519). The actions and attitude of other guests he/she meets in lounge room will also influence the perception of this service received.

**Physical evidence:** Assists customers in service evaluation because the intangibility of the service often makes it difficult for customers to evaluate service perceptions. Physical evidence consists of facility exterior, facility interior and tangibles. Facility exterior includes the exterior design, parking, landscaping and the surrounding environment; facility interior includes the interior design, equipment used to customers and air quality; tangibles are tangible cues such as business cards, stationery, receipts and brochures(Hoffman & Bateson 2006:225).

## **2.8. Criticisms of SERVQUAL**

Despite the enormous influence of the SERVEQUAL model, there have been a number of well-founded criticisms. These have fallen into several areas. An excellent summary of the issues identified

with SERVQUAL was offered by Stafford et al. (Stafford, Prybutok, Wells, &Kappelman, 1999). This section provides a brief overview of the issues; for a more complete discussion Stafford et al.'s paper is recommended. The first criticism relates to unstable dimensionality of the five dimensions. Cronin and Taylor found that SERVEQUAL was effectively one-dimensional, and suggested it should only be used as a summed index, because all the items loaded predictably on a single factor (Cronin & Taylor, 1994). Other studies found support for seven to eight dimensions (Carman, 1990). In particular, the tangibles dimension proved unstable, even in subsequent studies by the authors of SERVEQUAL (Parasuraman, Zeithaml, &Berry, 1991). The tangibles dimension was modified or dropped by some subsequent researchers (see, for example Pitt, Watson, &Kavan, 1995).

Cronin and Taylor (1992) and Lee et al. (2000) argued that SERVQUAL confounds satisfaction and attitude. They stated that service quality can be conceptualized as ‘’ similar to an attitude’’ and can be operationalized by the ‘’ adequacy - importance’’ model. In particular they maintained that ‘’performance’’ instead of ‘’performance – expectation’’ determines service quality and that developed an alternative measurement tool, SERVPERF, which is concerned only on performance. SERVPERF will ask customers how well the organizations have performed without regard to any previous expectations.

The SERVPERF model includes these 22 items of *SERVQUAL*. What are additional in the SERVPERF model are the overall ratings of satisfaction, perceived service quality and purchasing intentions. The main difference between SERVPERF and SERVQUAL is the focus of SERVPERF, underlying the fact that customer satisfaction is the result of service quality

## **CHAPTER THREE**

### **3. Research Methodology**

The methodology would include research approach, research design, target population, sample design, sample technique, sample size determination, data type and source of data, method of data collection and data analysis and presentation

#### **3.1. Research approach**

Research approach mainly would be used quantitative and include some qualitative approach using interview. The researcher would use qualitative approach since it uses to gain an understanding of underlying reasons, opinions, motivations and it would provide insights in to the problem or helps to develop ideas or hypothesis for potential qualitative research and when the researcher uses quantitative approach it involves using scientific or mathematical data to understand a problems such as analysing surveys to predict customer perception.

#### **3.2. Research Design**

The study would be conducted by using descriptive method of the study. A descriptive study attempts to describe or define a subject, often by creating a group of problems or events, through the collection of data and tabulation of the frequencies on research variables or their interaction. The researcher will use the descriptive research design because it would provide an opportunity to collect data from customers and it also helps to describe about the characteristics of customer to provide appropriate information

#### **3.3. Target population**

Target population refers the entire group of individual to which researcher is interested in generalize the conclusion. Accordingly the targeted population of this study was unknown because as implies on the research title the respondent have to be customers who were served in wolkite branch. The target population for this study were customers of ethio telecom. But in order to generalize and to get precise information about the service of ethio-telecom the researcher select some respondents which are engage in the company. The selection method of the target population of customer of ethio telecom is convenience sampling method because, total population is unknown, less time consuming and easy to select.

### **3.4. Sampling technique and Sample Size**

The researcher would be used non probability sampling techniques to convenience sampling method because in the case unknown population such sampling method less time consuming and easy to select

One common form of convenience sampling is sometimes called voluntary response sampling. Such samples rely entirely on individuals who volunteer to be a part of the sample, often by responding different techniques. It is extremely unlikely that individuals participating in such voluntary response surveys re representative of any larger population of interest. Duo to such circumstance the researcher selects 40 voluntary customers and 7 employees to analysis the finding.

### **3.5. Data type and Source of data**

The research would use primary source of data and secondary data. Primary source of data questionnaire and interview would be used because of can give accurate and original information. The questionnaire would be used close ended type. Secondary data is collected critical examination of books, internet, Different literature, published and unpublished data and different document related to the study.

### **3.6. Method of data collection**

The data collect from different source personally by using questionnaires and interview because questionnaire and interview is the most important methods to collect data from target population of sample size. The questionnaires include close ended questionnaires which are distributed for the selected respondent.

The questionnaires can be prepared based on SERVEQUAL model Parasuraman, Zeithaml and Berry and (Fujian Lai and Joe Hutchinson, 2007 and RakshitNegi, 2009, Yonggui Wand and Hinge- Polo, 2002).

### **3.7 Data analysis and presentation**

After the data are collects carefully edited, arranged, coded and tabulated depending on the type of questions. it would be analysed by using both descriptive of the data and analyses tools like frequency and percentage The study would be used data presentation tools such as table and percentage.

## CHAPTER FOUR

### 4. Data Presentation and Analysis

As I have discussed on chapter three the targeted population of the study was unknown and the researcher determine 47 respondents as sample size. In case the researcher would be use convenience sampling technique. The data would be collected through questionnaires' from 40 voluntary customers and 7 employees. A total of 47 questionnaires were distributed to the respondents for employees of ethio telecom in wolkite branch. Out of which 43 are returned, 4 questionnaires are rejected due to missing data. Therefore, 43 questionnaires served as data for analysis to present the findings and draw conclusion.

#### 4.1. Respondents' profile

Table 4.1 reveals the demographic information of the respondents. When we see the first demographic variable that is gender division of the respondents, nearly equal distribution were observed, i.e. 52% representing female respondents which is a bit more than male respondents processing 48% of the sample.

Concerning the age group of the respondents the larger portion of the respondents that is (44%) of the respondents are within the age interval below 25, (33%) of them lie in the age interval 26-30 and (16%) lie in the range of 36 to 45 and remaining (7%) is in age above 46. This fact shows the majority of the respondents are in working age groups.

As to the monthly spending habit of respondents on mobile service 23 % were spent 10 birr, 40% were 100 birr, 23% were spent 150 birr and the remain 14% were spent more than 150 birr with in the month.

**Table 4.1: Distribution of demographic variables**

<b>Sex</b>	<b>Frequen cy</b>	<b>Perce nt</b>
Male	18	42
Female	25	58
<b><i>Total</i></b>	43	100.0
<b>Age</b>		
Below 25	19	44%
25-35	14	33%
36-45	7	16%
Above 46	3	7%
<b><i>Total</i></b>	43	100.0
<b>Education Level</b>	Frequenc y	%
Elementary school	11	25%
high school & preparatory	20	46%
college	7	17%
Degree	5	12%
<b><i>Total</i></b>	43	100.0
<b>Monthly Expenditure on mobile service</b>		
50 birr	10	23
100 birr	17	40
150 birr	10	23
Above 150 birr	6	14
<b><i>Total</i></b>	43	100.0

<b>Monthly Salary</b>		
201-500 birr	0	0
501-1500 birr	0	0
Above 1500 birr	43	100
<b><i>Total</i></b>	43	100.0

**Source:** From own Survey

#### **4.2. Service Quality Measurement**

The seven service quality dimensions that are tangibles, reliability, responsiveness, empathy, assurance, network quality and service convenience by equally weighting the mean scores of all the items under each dimension. Respondents were asked to rate their perception on a five-point type from 1 being strongly disagree to 5 strongly agree for service quality dimensions and for overall service quality ranging from 1 being very bad to 5 excellent. The result is presented in the section below.

#### **TANGIBILITY**

This dimension is defined as the physical appearance of facilities, equipment, staff, and written materials. It translates to the restaurant's interiors, the appearance and condition of the cutlery, tableware, and uniform of the staff, the appearance and design of the menu, restaurant signage and advertisements (Zeithamal et al., 2006).

**Table 4.2: Responses on items of tangibility dimension**

Items of the dimension	Degree of response											
	Strongly disagree		Disagree		Neutral		Agree		strongly agree			
	Frequen	Percenta	Frequen	percenta	Frequen	Percenta	frequenc	Percenta	Frequen	percenta	Total	percent
1. Materials such as handbooks or brochures associated with the mobile services are visually appealing and easy to access in Ethio Telecom.	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%
2. Ethio Telecom Physical layout of equipment and furniture are comfortable for customer interacting with its employees.	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%
3. There are sufficient counter with clear signs that direct customers, so they can access different services in Ethio Telecom.	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%
4. The sales offices employees of Ethio Telecom are neat and professionally appearing.	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%

**Source:** From own Survey

The above table presents responses made on the four items of tangibility dimension. With reference to the first item about the availability of visually appealing materials at Ethio-Telecom, about 10 (23%) of the respondents were agreed and 4 (9%) were strongly agreed while 2 (5%) respondents were remain

neutral. On the other hand, 8 (19%) of the sample respondents were disagreed with the stated item. The ongoing analysis thus shows that a few smaller than fifty percent (or about 44%) of the total sample respondents have shown their agreement of the materials associated with the service.

The second item refers to the Physical layout of equipment and furniture are comfortable at Ethio telecom. So, about 10 (23%) of the respondent were agreed and 4 (9%) were strongly agreed, but 2 (5%) respondents were neutral, 8 (19%) of the respondent were disagreed with the item. The data analysis show that nearly fifty percent (55%) of the total target respondents were agree with the associated item.

The third item related with the sufficient counter with clear signs that direct customers to that of Ethio telecom. 10 (23%) of the respondents were agreed and 4 (9%) were strongly agreed, however 2 (5%) respondents were remains neutral to the provided item, 8(19%) of the sample respondents were disagree. The data analysis was show that a bit smaller than fifty percent (47%) of the respondents were agreed with the provided item.

The forth item were associated with professionally appearing at Ethio telecom. 10 (23%) of the sample respondents were agreed and 4(9%) were strongly agreed, while 2(5%) of were respond that neutral, 8 (19%) were response them disagree related to the provided item. So, from the ongoing data analysis show that almost fifty percent (49) of the sample respondents were agreed them with the associated item.

#### **4.2.2. RELIABILITY**

Reliability is defined as “the ability to perform the promised service dependably and accurately” or “delivering on its promises” (Zeithaml et al., 2006, p. 117). This dimension is critical as all customers want to deal with firms that keep their promises and this is generally implicitly communicated to the firm’s customers.

**Table 4.3: Responses on items of reliability dimension**

Items of the 2 <sup>nd</sup> dimension	Degree of response												Total	percent
	Strongly disagree		Dis agree		Neutral		Agree		strongly agree		Total	percent		
	Frequen	Percenta	Frequen	Percenta	Frequen	Percenta	Frequen	Percenta	Frequen	Percenta				
1.Ethio Telecom Contact employees continually deliver its services at the times it promises to do so.	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%		
2.Ethio Telecom sales offices Employees perform the services right the first time (i.e. without wasting time).	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%		
3.Ethio Telecom sales office Employees keep you well-informed about the progress of your complaints.	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%		
4.Ethio Telecom Billing system is accurate and error free.	7	16%	2	5%	10	23%	8	19%	16	37%	43	100%		
5.Ethio Telecom Bills are received in time.	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%		

**Source:** From own Survey

The above table presents responses made on the five items of reliability dimension. With reference to the first item about the Contact employees continually deliver its services at Ethio-Telecom, about 10(23%) of the respondents were agreed and 4 (9%) were strongly agreed while 2 (5%) respondents were remain neutral. On the other hand, 8 (19%) of the sample respondents were disagreed with the stated item. The ongoing analysis thus shows that a few smaller than fifty percent (or about 44%) of the total sample respondents have shown their agreement of the materials associated with the service.

The second item refers to the Employees perform the services right the first time at Ethio telecom. So, about 10(23%) of the respondent were agreed and (9%) were strongly agreed, however, 2 (5%) respondents were neutral, 8(19%) of the respondent were disagreed with the item. The data analysis show that nearly fifty percent (49%) of the sample respondents were agree with the associated item.

The thread item related with the Employees keep you well-informed about the progress of your complaints at Ethio telecom. 10 (23%) of the respondents were agreed and 4 (9%) were strongly agreed, however 2 (5%) respondents were remains neutral to the provided item, 8 (19%) of the sample respondents were disagree. The data analysis wasshow that smaller than fifty percent (43%) of the respondents were agreed with the provided item.

The forth item associated with Billing system is accurate at Ethio telecom. 8(19%) of the sample respondents were agreed and 16(37%) were strongly agreed, while 10(23%) of were respond that neutral, 2 (5%) were response them disagree related to the provided item. So, from the ongoing data analysis show that smaller than fifty percent (44%) of the sample respondents were agreed them with the associated item.

The fifth item related with about Bills are received in time at Ethiotelecom.10 (23%) of the given respondents were agreed and 19 (44%) were strongly agreed, the other respondents were neutral i.e. 2 (5%). About 8 (19%) of the respondents were disagree. So, the data analysis shows that nearly fifty percent (48%) of the sample respondents agreed.

#### 4.2.3 RESPONSIVENESS

Responsiveness “is the willingness to help customers and provide prompt service” (Zeithaml et al., 2006, p. 117).

**Table 4.3: Responses on items of responsiveness dimension**

Items of the 3 <sup>rd</sup> dimension	Degree of response											
	Strongly disagree		Dis agree		Neutral		Agree		strongly agree		Total	percent
	Frequen	Percent	Frequen	Percent	Frequen	Percent	Frequen	Percent	Frequen	Percent		
1.Ethio Telecom contact employees take your complaints/queries seriously.	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%
2.Ethio Telecom contacts employees give your prompt service.	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%
3. Ethio Telecoms sales office employees are	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%

always willing to help customers.												
4. Ethio Telecom Sales office employees resolve your complaints very quickly.	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%

**Source:** From own Survey

The above table presents responses made on the four items of responsiveness dimension. With reference to the first item about the contact employees take your complaints at Ethio-Telecom, about 10(23%) of the respondents were agreed and 19(44%) were strongly agreed while 2(5%) respondents were remain neutral. On the other hand, 8(19%) of the sample respondents were disagreed with the stated item. The ongoing analysis thus shows that fifty percent (50%) of the total sample respondents have shown their agreement of the materials associated with the service.

The second item refers to the Employees perform the services right the first time at Ethio telecom. About 10 (23%) of the respondent were agreed and 19 (44%) strongly agreed, however, 2(5%) respondents were neutral, 8(19%) of the respondent were disagreed with the item. The data analysis show that greater than fifty percent (52%) of the sample respondents were agree with the associated item.

The thread items related with the employees are always willing to help customers at Ethio telecom. 10(23%) of the respondents were agreed and 19 (44%) were strongly agreed, however 2(5%) respondents were remains neutral to the provided item, 8 (19%) of the sample respondents were disagree. The data analysis were show that a few smaller than fifty percent (49%) of the respondents were agreed with the provided item.

The forth item associated with employees resolve your complaints very quickly at Ethio telecom. 10(23%) of the sample respondents were agreed and 19 (44%) were strongly agreed, while 2 (5%) of were respond that neutral, 8 (19%) were response them disagree related to the provided item. So, from the ongoing data analysis show that a bit smaller than fifty percent (47%) of the sample respondents were agreed them with the associated item.

#### 4.2.4 EMPATHY

Empathy is defined as the “caring, individualized attention the firm provides its customer (Zeithaml et al., 2006, p. 120). The customer is treated as if he is unique and special.

**Table 4.4: Responses on items of Empathy dimension**

Items of the 4 <sup>th</sup> dimension	Degree of response											
	Strongly disagree		Dis agree		Neutral		Agree		strongly agree			
	Frequen	Percent	Frequen	Percent	Frequen	Percent	Frequen	Percent	Frequen	Percent	Total	percent
1. Ethio Telecom operates according to the business hours that are convenient to most of the customers.	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%
2. Ethio Telecom has the customer’s best interest in heart.	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%
3. Ethio Telecom	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%

Sales office Employees give personal attention to all.													
4. Ethio Telecom Sales office employees make every effort to understand specific	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%	
5. Ethio Telecom Sales office Employees deal with customers in a caring fashion.	6	14%	8	19%	10	23%	3	7%	16	37%	43	100%	

**Source:** From own Survey

The above table presents responses made on the five items of Empathy dimension. With reference to the first item about the business hours that are convenient to most of the customers at Ethio-Telecom, about 10 (23%) of the respondents were agreed and 19 (44%) strongly agreed while 2 (5%) respondents were remain neutral. On the other hand, 8(19%) of the sample respondents were disagreed with the stated item. The ongoing analysis thus shows that greater than fifty percent (58%) of the total sample respondents have shown their agreement of the associated convenient to most of the customers with the service.

The second item refers to the employee has the customer's best interest in heart at Ethio telecom. About 10 (23%) of the respondent were agreed and 19 (44%) strongly agreed, however, 2 (5%) respondents were neutral, 8(19%) of the respondent were disagreed with the item. The data analysis show that less than

fifty percent (44%) of the sample respondents were agree with the associated item.

The third item related with the Employees give personal attention to all at Ethio telecom. 10 (23%) of the respondents were agreed and 19 (44%) were strongly agreed, however 2(5%) respondents were remains neutral to the provided item, 8(19%) of the sample respondents were disagree. The data analysis were show that a few smaller than fifty percent (43%) of the respondents were agreed with the provided item.

The fourth item associated with employees make every effort to understand specific customer needs at Ethio telecom. 10 (13%) of the sample respondents were agreed and 19(44%) were strongly agreed, while 2(5%) of were respond that neutral, 8 (19%) were response them disagree related to the provided item and 4 (9%) were strongly disagree. So, from the ongoing data analysis show that a bit smaller than fifty percent (45%) of the sample respondents were disagreed to understand specific customer needs.

The fifth item related with about Employees deal with customers in a caring fashion at Ethio telecom. 3 (7%) of the given respondents were agreed and 16 (37%) were strongly agreed, the other respondents were neutral i.e. 10(23%). About 8 (19%) of the respondents were disagree. So, the data analysis shows that less than fifty percent (41%) of the sample respondents agreed related with caring fashion to the customers' service

#### **4.2.5 ASSURANCE**

Assurance is defined as “the employees’ knowledge and courtesy and the service provider’s ability to inspire trust and confidence” (Zeithaml et al., 2006, p. 119).

**Table 4.5. Responses on items of Assurance dimension**

Items of the 5 <sup>th</sup> dimension	Degree of response											
	Strongly disagree		Dis agree		Neutral		Agree		strongly agree			
	Frequen	Percent	Frequen	Percent	Frequen	Percent	Frequen	Percent	Frequen	Percent	Total	percent
1. Ethio Telecom Contact employees make you feel safe when conducting business with them.	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%
2. Ethio Telecom Contact employees are friendly and polite while handling your complaints/queries.	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%
3. Ethio Telecom Sales office employees have good behavior in instilling confidence in customers	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%
4. Ethio Telecom Sales office	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%

employees use the required skills and knowledge to answer customers' questions.												
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**Source:** From own Survey

The above table presents responses made on the four items of assurance dimension. With reference to the first item about the Contact employees make you feel safe at Ethio-Telecom, about 10(23%) of the respondents were agreed and 19 (44%) were strongly agreed while 2 (5%) respondents were remain neutral. On the other hand, 8 (19%) of the sample respondents were disagreed with the stated item. The ongoing analysis thus shows that fifty percent (50%) of the total sample respondents have shown their agreement of the materials associated with the service.

The second item refers to the employees are friendly and polite while handling your complaints at Ethio telecom. About 10(23%) of the respondent were agreed and 19(44%) strongly agreed, however, 2 (5%) respondents were neutral, 8(19%) of the respondent were disagreed with the item. The data analysis show that greater than fifty percent (51%) of the sample respondents were agree with the associated item.

The third items related with the employees have good behavior in instilling confidence in customers at Ethio telecom. 10(23%) of the respondents were agreed and 19 (44%) were strongly agreed, however 2 (5%) respondents were remains neutral to the provided item, 8 (19%) of the sample respondents were disagree. The data analysis were show that a few smaller than fifty percent (42%) of the respondents were agreed with the provided item.

The fourth item associated with employees use the required skills and knowledge to answer customers' questions at Ethio telecom. 10 (23%) of the sample

respondents were agreed and 19(44%) were strongly agreed, while 2 (5%) of were respond that neutral, 8(19%) were response them disagree related to the provided item. So, from the ongoing data analysis show that a bit smaller than fifty percent (43%) of the sample respondents were agreed them with the associated item.

#### 4.2.6 NETWORK QUALITY

The ability of service provider to have wider network coverage, excellent voice quality and no (minimum) call drops. (RakshitNegi, 2009; YongguiWand and Hing- PoLo, 2002)

The availability of offices near to customer, toll-free numbers, websites, easy to get cards and so on (Fujun Lai and Joe Hutchinson, 2007 and RakshitNegi, 2009).

**Table 4.6. Responses on items of Network quality dimension**

Items of the 6 <sup>th</sup> dimension	Degree of response											
	Strongly disagree		Dis agree		Neutral		Agree		strongly agree			
	Frequen	Percent	Frequen	Percent	Frequen	Percent	Frequen	Percent	Frequen	Percent	Total	percent
1. Ethio Telecom mobile network provides sufficient geographical coverage (on highways, inside the buildings, and basement, etc).	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%
2. Ethio Telecom	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%

mobile network provides clear and undisturbed voice without network congestion.												
3. Ethio Telecom mobile network make you experience minimum premature termination of calls during conversation (i.e., call drops).	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%

**Source:** From own Survey

The above table presents responses made on the four items of network quality dimension. With reference to the first item about the mobile network provides sufficient geographical coverage at Ethio-Telecom. About 10(23%) of the respondents were agreed and 19 (44%) were strongly agreed while 2 (5%) respondents were remain neutral. On the other hand, 8 (19%) of the sample respondents were disagreed with the stated item and 19 (44%) are strongly agreed. The ongoing analysis thus shows that more greater than fifty percent (73%) of the total sample respondents have shown their disagreement of the associated with the network provides sufficient geographical coverage service.

The second item refers to the mobile network provides clear and undisturbed voice Employees perform at Ethio telecom. About 10 (23%) of the respondent were agreed and 19(44%) strongly agreed, however, 2 (5%) respondents were neutral, 8 (19%) of the respondent were disagreed with the item and 4 (9%) are

strongly disagreed. As result the data analysis show that greater than fifty percent (78%) of the sample respondents were disagreed with the associated item.

The thread item related with the mobile network make you experience minimum premature termination at Ethio telecom. About 10(23%) of the respondents were agreed and 19 (44%) were strongly agreed, however 2(5%) respondents were remains neutral to the provided item, 8 (19%) of the sample respondents were disagree and 4(9%) are strongly disagree. The data analysis were show that greater than fifty percent (72%) of the respondents were agreed with the provided item.

#### 4.2.7. CONVENIENCE

The availability of offices near to customer, call-free numbers, websites, easy to get cards and so on (Fujun Lai and Joe Hutchinson, 2007 and RakshitNegi, 2009).

**Table 4.7. Responses on items of convenience dimension**

Item of the 7 <sup>th</sup> dimension	Degree of response											
	Strongly disagree		Dis agree		Neutral		Agree		strongly agree		Total	percent
	Frequen	Percent	Frequen	Percent	Frequen	Percent	Frequen	Percent	Frequen	Percent		
1. Ethio Telecom has call-free numbers, websites etc. for clarification of problems, knowing account status etc. by customers.	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%

2. Ethio telecom has variety of competitive/attractive price plan; i.e. tariff price for SMS call cell phone	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%
3. Ethio Telecom application formalities are simple,( i.e. mobile application, the smartness of phone, their task that perform effectively)	4	9%	8	19%	2	5%	10	23%	19	44%	43	100%

**Source:** From own Survey

The above table presents responses made on the four items of convenience dimension. With reference to the first item about that has call-free numbers, websites at Ethio-Telecom, about 10 (23%) of the respondents were agreed and 19 (44%) are strongly agreed while 2 (5%) respondents were remain neutral. On the other hand, 8(19%) of the sample respondents were disagreed with the stated item. The ongoing analysis thus shows that fifty percent (35%) of the total sample respondents have shown their neutral of web site availability associated with the service.

The second item refers to that has variety of competitive/attractive price plan at Ethio telecom. About 10 (23%) of the respondent were agreed and 29(44%)

strongly agreed, however, 2(5%) respondents were neutral, 8(19%) of the respondent were disagreed with the item. The data analysis show that less than fifty percent (41%) of the sample respondents were agree with the associated item.

The thread item related with the mobile phone application formalities are simple at Ethio telecom. 10 (23%) of the respondents were agreed and 14 (44%) were strongly agreed, however 2 (5%) respondents were remains neutral to the provided item, 8 (19%) of the sample respondents were disagree. The data analysis show that fifty percent (50%) of the application formalities of the service are agreed.

### **Analysis the response of five employees**

These persons are employees of the organization, the name of those employees' mekides, tagegn, sisay, mulugeta, lemlem and their role were five of them are sales office Ethio telecom.

1. What is your activity to provide quality services to your customer regarding your company?

Give the services depends on the customer need and want, for example voice call package for day and night, provide data package i.e. 3G, 4G etc...For weekly, monthly, annually.

Provide extra services i.e. when the customers buy mobile phone give sim card

Give discount in the time of festival or holiday including Sunday

Give opportunity to the customers by providing warranty for their service I.e. 12+1, month 24+1 month.

2. How do you work to satisfy loyal and potential customers?

To satisfy the loyal and potential customer take some measurements on the side of the company (from the responses of the employee) first, available the new technologies and provide information timely, create know how about the new service.

Available the shop to the local area in order to provide quality service conveniently and easily take without any confusion.

Understand the internal feeling of customers, provide equal services without any discrimination, create website in order to clearly inform the customers where to locate and give any response for the problems of customer.

Generally, give feedback to the customers politely for any suggestions of buyer.

Provide Sim card discount, waiting place prepare, and give immediate response to the questions of the buyer

## CHAPTER FIVE

### 5. Conclusions and Recommendation

#### 5.1. Conclusions

This study tries to investigate students' perception towards the mobile service quality of Ethio Telecom. Therefore, apparently it contributes some facts to the company in order to improve its service performance. For conducting this study SERVQUAL instrument has been employed. The

Instrument consisted of five dimensions adapted from Parasuraman et al. (1985, 1988) and two additional dimensions validated in prior research with a total of 47 adaptable questionnaire items. 47 questionnaires were administered to respondents and 43 were collected and usable for descriptive analysis.

The conclusion or the finding of this research was conducted by percentage. As a result, the first dimension tangibility almost all of the four items were show agreement by the sample respondents.

The second dimension or reliability the data shows that all respondents were agreed with the five associated item, have apposite relationship.

The responsiveness dimension all item were have seen that agreement except the last items shows neutrality.

Empathy shows agreement from the all service quality item except one of the item or the fourth item shows disagreement, from these we conclude that most of the respondents are positive relationship except one negative relationship.

All the four associated item were show that agreement to the assurance dimension so the respondents give their idea positive relationship.

Network quality dimension all of the respondents were disagree to the related three items, so the students/ customers are show their negative relationship with the associated item.

The convenience dimension have consists of three items from these items most of the respondents were show agreement except the one item respondents give their response by neutrality the first item.

## **5.2. Recommendation**

Based on the analysis of this study, several recommendations have been forwarded to improve the mobile service quality of Ethio telecom. Management of the company must understand that students' perceptions towards quality of service are very significant.

- Customer/students' perceived network quality has been found to be the first important dimension in the overall perceptions of service quality. Therefore, Ethio telecom must make every effort to pay attention on providing and improving adequate network coverage, voice clarity, and focus on reducing the congestion level in its network and premature termination of calls during conversation that is call drops.
- Convenience is found to be the second most importance mobile service quality dimension in terms of importance. This indicates that Ethio telecom needs to have adequate operating hours and locations that are convenient for all of its customers and have call-free numbers, websites etc. for clarification of problems, knowing account status etc. by customers. Moreover, application formalities for getting a new connection should be easy and there should be flexibility in the payment of bills as well.
- Empathy has appeared to be the third place in terms of importance. For this, it requires that Ethio telecom should operate according to the business hours that are convenient to most of the customers and has the customer's best interest in heart. Besides, Ethio telecom sales office employees should give personal attention to all customers and make every effort to understand specific customer needs. And finally, Ethio

telecom sales office employees should deal with customers in a caring fashion. Thus, it is imperative that Ethio telecom should prioritize the most important dimensions first to achieve high levels of service quality.

- By the same token, even though the relationship of the four other dimensions that are tangibles, reliability, responsiveness and assurance with overall perceptions of mobile service quality have not been significant, it is evident that they have positive association with overall perceptions of mobile service quality therefore the company must provide acceptable level of service on these dimensions as well. Therefore, Ethio Telecom should improve its service in addressing customers negative feedback about its current service. In response to that, Ethio telecom must also work on:
  - **Tangibles:** Ethio telecom should provide customer information material such as brochures provided is well composed, and attractive. The frontline personnel providing services at sales outlets of Ethio telecom should be neat, clean, and well dressed and give pleasing look and professionally appearing. Ethio telecom's communication facilities and other equipment at sales outlets should be modern and up-to-date, and easy availability of cards etc.
  - **Reliability:** Ethio telecom should provide customers accurate service as promised and provide accurate and timely billing. Ethio telecom should keep customers record of use of service like mobile bill etc. accurately and readily available.
  - **Responsiveness:** Ethio telecom should provide timely service to its mobile phone customers. The frontline employees of Ethio telecom should anticipate the needs of the users and proactively respond to these needs. Mobile phone users are keen to get a prompt response from the employees regarding their complaints and enquiries. To this effect, Ethio

telecom needs to establish effective mechanism for quick handling of enquiries and efficient customer services.

- **Assurance:** The frontline employees of Ethio telecom should have the competence to inspire trust and confidence among the customers about its ability in anticipating and meeting customers needs. The frontline employees of Ethio telecom should be polite to build trust in the service provider ability to respond to the needs of the customers.
- All in all, by managing the service quality dimensions in order of their importance, Ethio telecom can improve the customers perception of service delivered and enhance the customer satisfaction.
- The company should craft effective service strategy to improve its service quality by listening to the voice of customers because customers may have different needs that they want to speak of and that they want the organization to meet them.
- Besides all that, providing the best quality service is very crucial to an organization's future and to this end Ethio telecom should offer adequate and on-going training to its employees on how to treat and interact with customers/students to meet their needs and wants thereby ensuring excellent service quality. Because this training would enhance employees' awareness level so that they will get ready to serve customers very well and to provide the service up to the standard set and this at the same time would enhance the company image inculcating in the customer/students' mind.
- Management of Ethio telecom needs to conduct a research of this kind periodically to study the perception of customers towards its mobile service to identify shortcomings in its mobile service quality so that it can improve and provide its service in accordance with customers needs and wants. The regular service quality assessment enables organizations to align to the changing customers' needs (Dutkas& Frankel, 1993)

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**Appendix**  
**WOLKITE UNIVERSITY**  
**COLLEGE OF BUSINESS AND ECONOMICS**  
**DEPARTMENT OF MARKETING MANAGEMENT**

**Dear Sir/Madam,**

This Questionnaire is designed to be filled by students who are mobile phone customer of Ethio Telecom It is prepared to collect information on the consumer perception towards the mobile service quality of the company on the basis of service quality dimensions and the information collected will be used as a base to reach into conclusion and give the decision makers the necessary outcomes. Your response will be treated confidential and used for only academic purpose. In this regard, your kind and serious cooperation will have significant effect on the result of the study.

**Note:-**

- There is no need to write your name
- Please tick the appropriate box for your answers.
- Thank you in advance for your cooperation
- **Make sure that the total page is six (6) in number.**

1. Sex             Male                             Female

2. Age             below 25                     25-35     35-45                     Above 45

3. Educational level

Master's program(student)                     Degree program student                     Diploma  
 other qualification

4. Years of study

1st year  2nd year     3rd year      th year

5. Number of years of mobile service usage

- Less than 3       3 to 5       5 to 10       Above 10

6. How much on average do you spend on mobile service per month?

- 50 birr     100 birr       200 birr       300 birr     Above 300 birr

7. Are you an  employee of any organization?

Yes  s  No

8. If your answer to the above question is yes, what is your monthly salary?

- Below 200 birr     201-500 birr     501-1500 birr     Above 1500 birr

9. What is your occupation?

Government worker    Private worker    Student

Business person    other

10. Is there reliable customer service quality in ethno telecom ?

Yes     No

11. How much customer service present is provide in ethno telecom

A 50%    B 70%    C 100%    D 25%

12. What types of ethno telecom service in to customer?

.....

13. The methods of control service quality ethio telecom?

.....

14. How to care your customer service quality?

.....

15. How to solve customer problem ethno telecom?

.....

## INSTRUCTIONS

**I-**In your opinion, how does the mobile Service Quality of Ethio Telecom meet your expectation in terms of the following Service Quality dimensions listed in the table below? Use these responses from 1 to 5 to answer, where: 1-**Strongly Disagree**, 2- **Disagree**, 3- **Neither Agree/nor Disagree**, 4-**Agree**& 5-**Strongly Agree**.

Sl. No	Statements of Service Quality	Level of Perception				
		Strongly Disagree	Disagree	Neither Agree/Nor Agree	Agree	Strongly Agree
<b>TANGIBLES</b>						
1	Materials such as handbooks or brochures associated with the mobile services are visually appealing and easy to access in Ethio Telecom.	1	2	3	4	5
2	Ethio Telecom Physical layout of equipment and furniture are comfortable for customer interacting with its employees.	1	2	3	4	5
3	There are sufficient counter with clear signs that direct customers, so they can access different services in Ethio Telecom.	1	2	3	4	5
4	The sales offices employees of Ethio Telecom are neat and professionally appearing.	1	2	3	4	5
<b>RELIABILITY</b>						
5	Ethio Telecom Contact employees continually deliver its services at the times	1	2	3	4	5

	it promises to do so.					
6	Ethio Telecom sales offices Employees perform the services right the first time (i.e. without wasting time).	1	2	3	4	5
7	Ethio Telecom sales office Employees keep you well-informed about the progress of your complaints.	1	2	3	4	5
8	Ethio Telecom Billing system is accurate and error free.	1	2	3	4	5
9	Ethio Telecom Bills are received in time.	1	2	3	4	5

Sl. No	Statements of Service Quality	Level of Perception				
		Strongly Disagree	Disagree	Neither Agree/Nor	Agree	Strongly Agree
<b>RESPONSIVENESS</b>						
10	Ethio Telecom contact employees take your complaints/queries seriously.	1	2	3	4	5
11	Ethio Telecom contacts employees give your prompt service.	1	2	3	4	5
12	Ethio Telecoms ales office employees are always willing to help customers.	1	2	3	4	5
13	Ethio Telecom Sales office employees	1	2	3	4	5

	resolve your complaints very quickly.					
<b>EMPATHY</b>						
14	Ethio Telecom operates according to the business hours that are convenient to most of the customers.	1	2	3	4	5
15	Ethio Telecom has the customer's best interest in heart.	1	2	3	4	5
16	Ethio Telecom Sales office Employees give personal attention to all.	1	2	3	4	5
17	Ethio Telecom Sales office employees make every effort to understand specific customer needs.	1	2	3	4	5
18	Ethio telecom Sales office Employees deal with customers in a caring fashion.	1	2	3	4	5

Sl. No	Statements of Service Quality	Level of Perception				
		Strongly Disagree	Disagree	Neither Agree/Nor	Agree	Strongly Agree
<b>ASSURANCE</b>						
19	Ethio Telecom Contact employees make you feel safe when conducting business	1	2	3	4	5

	with them.					
20	Ethio Telecom Contact employees are friendly and polite while handling your complaints/queries.	1	2	3	4	5
21	Ethio Telecom Sales office employees have good behavior in instilling confidence in customers.	1	2	3	4	5
22	Ethio Telecom Sales office employees use the required skills and knowledge to answer customers' questions.	1	2	3	4	5
<b>NETWORK QUALITY</b>						
23	Ethio Telecom mobile network provides sufficient geographical coverage (on highways, inside the buildings, and basement, etc.).	1	2	3	4	5
24	Ethio Telecom mobile network provides clear and undisturbed voice without network congestion.	1	2	3	4	5
25	Ethio Telecom mobile network make you experience minimum premature termination of calls during conversation (i.e., call drops).	1	2	3	4	5