THE EFFECT OF QUALITY SERVICES ON CUSTOMER SATISFACTION (THE CASE STUDY UGANDA TELECOM LTD)

 \mathbf{BY}

TUHAISE FIONA BBA/33313/111/DU

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DECLARATION

I TUHAISE FIONA, declare that this work is a result of my own research and it has never
been submitted to any other institution for any academic award.

Signature. File

TUHAISE FIONA

Date: 27 | 11 | 2012

APPROVAL SHEET

I confirm that the work reported in this thesis was conducted by the candidate under my supervision.

Mr. BARASA HENRY

Supervisor

Signature.

Date: 27/10/2013

DEDICATION

I dedicate this research report to my late beloved parents, Mr. Bazirio Birigenda & Mrs. Rose Businge Birigenda, my beloved Sisters, Suzan and Sharon, Aunts, Uncles, Mr. Twine Joseph, Brother In-law, Mr. James Musinguzi, and lastly to my best friends whose prayers have enabled me to reach heights that I would never had reached. This work is part and accomplishment of my dream, effort and vision towards my education.

I thank you in God's name.

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ABSTRACT

Service Quality within retail units is pivotal for satisfying customers, retaining them and creating loyalty amongst customers. This research uses SERVOUAL to analyze the gap between perceptions and expectations of the customer, concerning with the service at retail units in kampala city, Uganda. Customer Satisfaction level is assessed for the services offered at selects retail units in the city of kampala. Five dimensions in service quality (servqual), tangibility, reliability, responsiveness, empathy, and assurance (Parasuraman, Zeithaml, &Berry, 1985) have been considered for this empirical research.

General purpose of this research to know some factors that impact customer satisfaction. The purpose are (1) to describe applied of service quality (servqual) dimension in

telecommunication retail business (2) to know service quality (servqual) dimensions that make customers satisfied, and (3) to know service quality (servoqual) dimensions that are

dominant in influencing customer satisfaction. The research methodology was carried out

in a survey cross sectional applied to 369 respondents. The data obtained was analyzed by

using reliability method, correlation and regression. Result of research showed that

services offered by retail units have positive impact and are significant in building

customer satisfaction.

Findings of this empirical research reiterate the point of view that Service Quality dimensions are crucial for customer satisfaction in retailing – a burgeoning sector with high growth potential and opportunities in fast growing economies like India's.

Keywords: Service Quality (Servqual) Dimensions, Customer Satisfaction

CHAPTER ONE INTRODUCTION

1.1 Background to the Study

Quality service is the degree which the performance of service providers matches customer expectations to ensure customers are satisfied. (Zikmund and D'Amico(1984). Customer satisfaction is ability to meet customer expectations or even exceed them. If the product's performance falls short of expectations the buyer is dissatisfied. If it matches or exceeds the buyer is satisfied and delighted. (Kotler, 2002).

Balunywa (1995) asserts that business having low quality service average only a 1% return on sales and lose market share at the rate of 2 % per year. Business with big quality service average a 12% return on sales and gain market share at the rate of 6% per year and charge significant high prices. A typical dissatisfied customer will tell 8-10 people about his problem. One in five will tell twenty. It takes twelve positive services incident to make up for one negative incident. A typical business hears from 4% of its dissatisfied customers. The 96% just quietly go away and 91% will never come back. This represents a serious financial loss to Uganda Telecom ltd which doesn't know how to treat customers. In Uganda telecom ltd complaints have always been raised by customers to them concerning the unsatisfactory services rendered. However much as lot of efforts is invested in providing quality service this has not resulted in customer satisfaction. So if solutions not found to bring down such situation to normal there is likely to be little or complete decline in development of these services.

1.2 Statement of the Problem

Low quality of services provided by Uganda telecom ltd has continuously leaded to increased customer dissatisfaction.

1.3 The Purpose of the Study

The purpose of the study will be to find out whether quality service in Uganda telecom ltd affects customer satisfaction.

1.4 Objectives of the Study

- i) To identify the determinants of quality service in Uganda telecom ltd.
- ii) To determine the influence of customer satisfaction in Uganda telecom ltd.
- iii) To establish the relationship between quality service and customer satisfaction in the company.

1.5 Resear ch Questions

- i) What are the determinants of quality services in Uganda telecom ltd?
- ii) What is the factors influencing customer satisfaction in Uganda telecom ltd?
- iii) What is the relationship between quality service and customer satisfaction in Uganda telecom ltd?

1.6 Scope of the Study

1.6.1 Geographical scope

The study will be carried in Uganda telecom Ltd, head offices, located at Rwenzori Courts, 2/4A, Nakasero Road. P.O.BOX 7171, Kampala Uganda. Tel +256(0) 414333200.

1.6.2 Content scope

This study will be limited to quality service as an independent variable and customer satisfaction as the dependent variable in Uganda telecom ltd.

1.6.3 Time scope

The study will conducted in a period of three months that is from October – December 2012.

1.7 Significance of the Study

The proposed study findings will be of great significance to the following parties:

Policy makers/Government;

This study will help concerned authorities to strategically plan for quality services that can be used to improve customer satisfaction hence reducing on customer dissatisfaction in both private and Governmental parastatals.

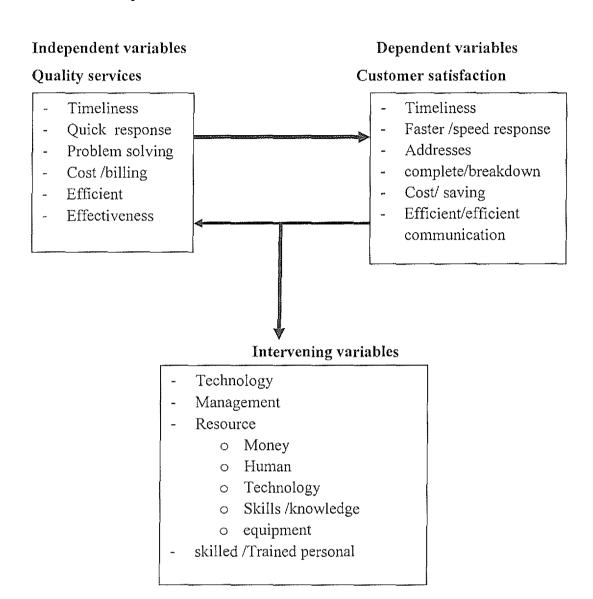
Organization/Uganda telecom ltd;

The study will help the management and Administrators of Uganda telecom ltd to examine how they can be able to reconcile customer satisfaction with better quality service. This will help to avoid a mismatch in quality services hence causing customer dissatisfaction. The study also will bring out the factors' that lead to customer dissatisfaction in Uganda telecom ltd. This will help to design measures that can be taken to ensure that customer dissatisfaction is minimized hence refraining good knowledge and expertise in Uganda telecom ltd.

Future researcher and scholars; The study will work as a source of reference for future scholars hence expanding on knowledge related to quality services and customer satisfaction to the general public.

Researcher: will conceptualize and become expert in this area and secondly, the study is a partial fulfillment of the requirement for the award of a bachelor's degree in business Administration (marketing).

1.8 The Conceptual Frame Work



CHAPTER TWO LITERATURE REVIEW

2.1 Introduction

This chapter will bring out how different authors talked about quality service, customer satisfaction and their relationship.

2.2 Quality Service

Nowadays, service quality strategy is an important weapon used to gain a competitive advantage over competitors. This chapter starts by defining quality, services and service quality. Some essential elements such as the expectations of service, importance of service quality and its benefits are also being highlighted. It further stresses the need for handling customer complaints and underlines the role of service failure and recovery.

Meanings of Quality

Quality is constantly evolving depending on its application techniques used. Quality is a term that is heard almost everywhere nowadays, from top management business to the small corner shop on the local street to the stall selling fruits in the market. Quality is perceived as a subjective term which means different things to different people in different situations.

According to Joseph M. Juran (1988), quality is defined as "fitness for purpose". Deming W. Edwards (1982), another quality guru, described quality as being "a predictable degree of uniformity and dependability at low cost and suited to the market". However, "Delighting the customer by fully meeting their needs and expectations" is a more common definition of quality

Service quality has drawn attention of researchers in recent decades (Zeithaml, 2000). Nevertheless, since there is not a universally accepted definition for service quality, many different meanings exist. For instance, Czepiel (1990) portrays service quality as customers' perception of how well a service meets or exceeds their expectations whereas Bitner, Booms and Mohr (1994, p. 97) define service quality as "the consumer's overall impression of the relative inferiority or superiority of the organisation and its services".

Zeithaml et al. (1996) depict service quality as "the delivery of excellent or superior service relative to customer expectations".

While other researchers (for example, Cronin and Taylor, 1994) view service quality as a form of attitude representing a long-run evaluation in general, Parasuraman, Zeithaml and Berry (1985, p. 48) define service quality as "a function of the differences between expectation and performance along the quality dimensions". Indeed, this has appeared to be consistent with Roest and Pieters' (1997) definition that service quality is a relativistic and cognitive discrepancy between experience-based norms and performances concerning service benefits.

As for Gronroos (1983), service quality is viewed as the accomplishment of customers' expectations whereas Parasuraman et al. (1985) define it as the gap between customers' expectations, in terms of service, and their perception developed by the actual service experience. That is, service quality is an attitude that results from the comparison of expected service levels with perceived performance.

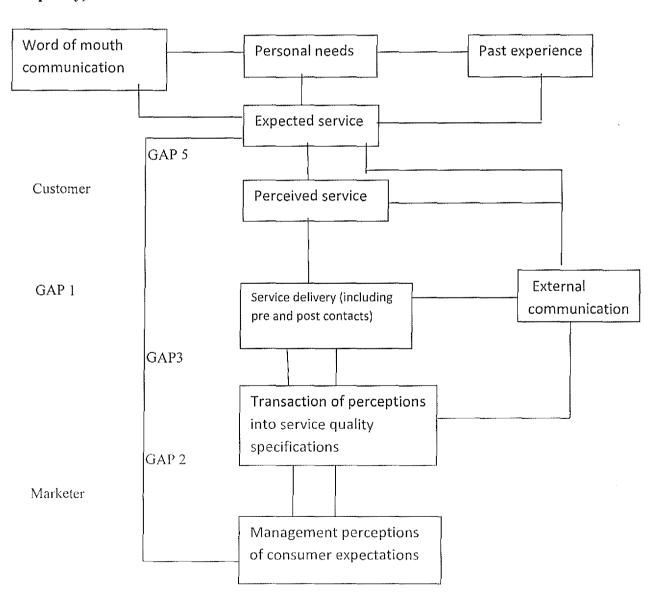
Furthermore, Parasuraman et al. (1985) have reported that outstanding service is a profitable strategy as it results in more new customers, fewer lost customers, more business with existing customers, more insulation from price competition and fewer mistakes requiring the re-performance of services. Accordingly, by offering superior service quality, a firm is liable to become more profitable and at the same time to sustain a competitive edge in their served markets.

Evidently, superior service quality is a strategic weapon aiming to attract more customers. Lassar et al. (2000) believe that service quality is a significant sign of customer satisfaction and thus delivering superior service quality is a strategy that eventually leads to success.

Haemoon (2000) looked at quality service as something that is virtually impossible to define fixed parameters to adjudge the level of service provided but a consensus can be reached in today's customer driven markets and expect the services to be better, quicker and more effective.

However, Zikmund, (1992) differs from Haemoon (2000) and asserted that quality service is a degree to which the performance of service providers matches customer expectation. Kakuru, (2004) supported Zikmunda (1992) by viewing quality service as a benefit conforms with specification spelled out in the service design and that quality can be judged by looking at what the customer expects. Stoner (2002) was in line with Haemoon(2000) by viewing quality service as achieving increasing better service and progressively more competitive price and may include doing things right, the first time rather than making mistakes.

2.2.1 The determinants of perceived service quality. (The Gap model of service quality)



1. Gap between the customer's expectation and the marketers perceptions

Managers do not always have enough accurate understanding of what customers want or how they will evaluate a firm's service effort, The first step in providing good service then it is to collect information through customer surveys, complaining.

2. Gap between management perceptions and service quality specifications.

Even when management has a clear understanding of what customer want, that understanding might not get translated into effective operating standards.

3. Gap between service quality specifications and service delivery.

Lip service by management is not enough to produce high quality service.

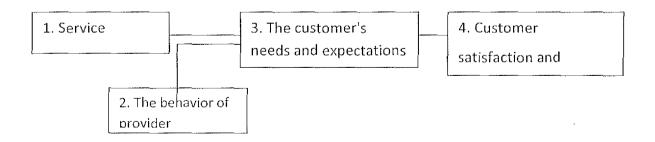
4. Gap between service deliveries external communications.

Even good service performance may disappoint some customers if the firm's making communication causes them to have unrealistically high expectations.

SOURCE: A. Parasuraman etal (1985)

2.3 Customer Satisfaction

Balunywa (1994) came up with an argument that customer satisfaction is where a customer will be satisfied if a product he wants meets, in fact, exceeds his expectation. However a more important fact is the behavior of the service provider. Quality services may be high but if the product provider fails to provide the good feeling the customer will not be satisfied.



2.3.1 Factors influencing customer satisfaction

This is very important influencing customer satisfaction; service quality is measured by performance, reliability and durability. The quality of the service is usually what customer perceives rather that what actually is.

The behavior of internal customers

Customers want to feel good in any transaction consequently the behaviour of the people they come in contact with are important in determining satisfaction.

The customer's need and expectations

These are very important in meeting customer's satisfaction. The customers' needs are the desires or wants that are fulfilled.

Customer satisfaction or dissatisfaction

Customer satisfaction is a subjective feeling however, we should appreciate the customer satisfaction is not the direct opposite of dissatisfaction here the customer expectations are not met.

Getting feedback from customers

Continuous customer satisfaction depends on how the customer feels. A customer may tell the organization how he feels or whether there is need for any improvement needed in the service. **SOURCE:** (Balunywa, 2003).

2.4 Relationship Between Quality Service and Customer Satisfaction

According to Kotler, (1995) he revealed the relationship of quality service and customer satisfaction in a situation where a service provider needs to identify the expectations of target consumers concerning service quality which results in to greater customer satisfaction.

Haemoon (1999) argued that implementing service quality and customer satisfaction management program has become an industry in the past three decades. He continued that high service quality and customer satisfaction has been proven to result increase on return rates of

customers. According to Ntayi (1998), the nature of service can influence by both quality service and customer satisfaction and this is usually measured by performance and durability.

In relating quality service and customer satisfaction Nakyagaba (2003) asserted that it is not easy task to measure a customer with quality service and his satisfaction service sectors have spent time on how to provide quality service and satisfy customers.

2.5 Summary of the Main Issues

In conclusion quality service creates customer satisfaction because customers who receive quality service come back again implying customer satisfaction (Zikmund, 1984).

CHAPTER THREE METHODOLOGY

3.1 Research design

The research employed descriptive correlation research design because it intended to measure the relationship between quality services (independent variable) and customer satisfaction (dependent variable), secondary and all f an exposit facto design was also used because the study never intended to manipulate any fact and all finding were described the way they were given.

3.2 Research population

The study will focus on the Administrators in Uganda telecom ltd most specifically those from the marketing department. It will also focus on the customers of Uganda telecom ltd. This is to allow room for complementality in the data collected from the various respondents.

3.3 Sampling technique

Stratified sampling technique will be used to select a representative sample from the study population. This technique allows the research to categorize the respondents into different strata from which a sample is obtained. The population will be divided into two strata one including Administrators and another comprising of common customers. From each strata a sample will be selected using simple random sampling technique. This technique allows fair representation of all categories of respondents.

3.4 Sample size

The study will use a sample of 65 respondents. This will be divided in the ratio of 20 administrators of Uganda telecom ltd and 45 common customers. This will be calculated using solving estimation formula.

$$n = N$$
 where $n =$ sample size $1 + N$ (e) 2 $N =$ Total population $e =$ level of significance

3.5 Research instrument

The research instrument that was used is questionnaire, this tool was chosen because it easy to monitor, evaluate and analyze. The questionnaires were prepared with relevant question that enabled the research to gather the information required the questionnaires were given then to the respondents and fill their convenient times because they given ever busy the questions were both structured and unstructured ones. The questionnaires comprised of three sections; section A about respondents' demographic characteristic, section B, dealt with forms of quality services and lastly section C handled determinants of customer satisfaction.

3.6 Reliability and validity of the instrument

In order to reduce the possibility of getting wrong answers different steps were taken to ensure the validity and reliability of the study data was collected from the reliable sources and research contacted experienced people to go through the questionnaire and make recovery, adjustment to ensure that the items questions on the instrument are collected properly spelled and measured variables they are designed for.

3.7 Research procedure

Before data collection and the commencement a letter from the college of applied economics and management sciences was collected authoring the researcher to collect data concerning the topic, this was presented to the Uganda telecom ltd, head office marketing manager for permission to be allowed to conduct the research from their company. During data collection survey was carried out regarding the particular respondent, then the questionnaires were supplied to them, and guidelines on how to fill them say question interpretation to ensure relevance of the answer to be provided.

After, the questionnaires were collected cleaned, edited, coded and analyzed and these presented in tables as frequencies and percentage forms.

3.8 Data analysis

After gathering the data the researcher analyzed it into frequencies, percentage and table's distribution and A comparison and contrast was made from various respondents who

interviewed. Also a comparison and contrast were made from various scholars' experts about the variables.

3.9 Ethical consideration

To ensure that ethics was practiced in this study as well as at most confidentiality for the respondent's data the following were done, 1.coding of questionnaires', 2. The respondents were requested to sign the informed consent, 3. The authors mentioned in this study are acknowledged within the text, 4. Findings are presented in a generalized manner and lastly a copy of findings was given to the organization (Uganda telecom ltd) head office.

Study limitations

Major limitations that the study faced are written below and the ways how the researcher manage to dealt with them;

Inadequate time; most of employees in Uganda telecom ltd, head office are busy but the researcher spends more time for a research than the excepted, which contributed to the great success.

Inadequate funds; the research made reasonable budget that helped him accomplish the research. And borrowed research materials like laptops, flash disks, and even typing the work myself.

Change of perception; another major limitation of the study was change of perception in the process of giving the information, most of the respondents thought that I was sent by the management of Uganda telecom ltd, head office to carry out an investigation on them which made them suddenly change their minds. In order to courter this limitation the research emphasized confidentiality of the information provided.

Some respondents though that some information was confidential and are not were to give it to the research but the research promised to keep the findings of the research confidential and for academic purpose. Failure of some respondents to provide data to certain questions; this will hinder the proper validation of study findings. However questions will be logically designed to extract such data from the respondents.

The failure of some respondents to return the questionnaires hence sabotaging proper data analysis; However, the research will Endeavour to keep in touch with the respondents to collect questionnaires on time.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS

4.1 Respondents' profile

This section presents respondents profile in terms of gender, age, position, marital status, level of education and their respective percentages reflected in the following tables below.

4.2 Distribution of respondents' gender

Table 1: Percentage distribution of respondents' gender

Sex	Frequency	Percentage (%)
Male	35	43.75
Female	45	56.25
Total	80	100

Source: primary data.

The research composed of both male contributing of 43.75% and female 56.25% of the total number of respondents.

4.3 Distribution of respondents' age

The respondents' age bracket ranged between below 10-19 years, 20-29 years, 30-39 years, 40-49 years, and 50-59 years.

Table 2: Percentage distribution of respondents' age

Age group	Frequency	Percentage (%)
24 – 30	25	31.3
31 – 36	20	25
37 – 42	16	20
43 – 49	13	16.3
50 above	5	6.3
Total	80	100

Source: primary source

From the above table most of the respondents' age between 24-30 years indicated by 31.3% while 31-36 years were shown by 25%, 37-42 years was shown by 20%, 43-49 were shown by 16.3% of the respondents' and those with 50 years and above were 6.3%

4.4 Distribution of respondents' position in the company

Table 3: Percentage distribution of respondents' positions

Position	Frequency	percentage
Brand Managers	8	10%
Drivers	10	12.5%
Supervisors	14	18%
Marketing officers	15	18.8%
Machine operators	33	41.3%
Total	80	100%

Source: primary data

From the above table about the positions held by the respondents' majority of them were machine operators at 41.3% followed by marketing officers 18.8%, supervisors 18%, drivers 12.5% and managers contributed to 10% of the respondents.

4.5 Distribution of respondents' marital status

Table 4:Percentage distribution of respondents' positions marital status

Status	Frequency	Percentage (%)
Single	27	33.8
Married	43	53.8
Divorced	5	6.3
Widowers	5	6.3
Total	80	100

Source: primary data

The respondents' marital status was 33.8% of them were single, 53.8 % were married, 6.3% were divorced, and 6.3% were widows/widower as given in the table above.

4.6 Distribution of respondents' education level

The respondents' were required to state their level of education ranging from certificates, diploma, bachelors, and post graduates.

Table 5: Percentage distribution of respondents' level of educational

Level of education	Frequency	Percentage (%)
Certificate	10	12.5
Diploma	5	6.3
Bachelors	34	42.5
Post graduate	31	38.8
Total	80	100

Source data: primary data

The above indicates that most number of respondents' were degree holders which proved that at least they were of the information giving comprising of 42.5%, followed by post graduates 38.8%, certifactes 12.5%, and diploma holders were 6.3%.

Table 6: Percentage distribution of respondents' departments involved in the company

Department	Frequency	Percentage (%)
Marketing	50	62.5
Human resource	5	6.3
Finance	5	6.3
Operational	20	25
Total	80	100

Source: primary data

The study findings show that majority of the respondents came from marketing department (62.5%) followed by operational (25%), human resource and finance tried up in the third with (6.3%) respectively.

4.7 Distribution of the respondents' number of years spent in Nile breweries ltd.

The questionnaire required the respondents to tell the number of years they have been in the company ranging from 1- 5 years in different categories these were given as follows

Table 7: percentage distribution of respondents' experience

Number of years	Frequency	Percentage (%)
O -1		
1 -2	25	31.3
2 - 3	50	62.5
3 – 4	5	6.3
4 - 5	-	*
Total	80	100

Source: primary data

The research indicated that most of the respondents had spent 2 - 3 years in the company contributing to 62.5%, followed by 1-2years 31.3% and then those that have spent 3 - 4 years contributing to 6.3% respondents. And this indicated that the is high labour turnover in the company.

QUALITY SERVICES

Table 8: Dependences to which kind of quality is more effective in Uganda telecom ltd

Quality services	Frequency	Percentage (%)
Competence	12	15
Security	20	25
Communication	23	28.75
Knowing the customer	10	12.5
Credibility and reliability	8	10
Responsiveness	7	8.75
Total	80	100

Source: primary data

From the study findings showed that quality service in the company was standing at as follows starting from the highest to the lowest in percentages; in this cases communication at 28.75%, security at 25%, competence at 15%, knowing the customers at 12.5% followed by credibility and reliability at 10% and lastly responsiveness at 8.75%.

Table 9: Responses on ways of supervision

Supervision style	Frequency	Percentage (%)
Coerced	24	40
Directed	36	60
Undirected	-	**
Total	80	100

Source: primary data

According to the table above, the findings indicate that, to a large extent (40%) employees commented that they are coerced by their bosses but still (60%) have said that are not coerced but directed and others did not utter the information like under undirected. This implies that there are some elements of dictatorship in Uganda telecomm ltd.

Table 10: Responses to whether marketers are polite in giving services in the company

Responses category	Frequency	Percentage (%)
Polite	20	25
Friendly	42	52.5
Rude	13	22.5
Total	80	100

Source: primary data

Table 9 shows that leaders and workforce in the company are friendly (52.5) when giving direction, and this motivate employees thus increasing performance of the company and retaining and attracting new clients in the company followed by polite at 25% which means that employees were being treated very well and the company's clients and lastly rude at 22.5% which indicated that somehow somewhere the company's management was abit hash towards its employees when giving out the rulers and regulations in the company well as the employees giving services to the company's clients.

4.8 Relationship between quality service and customer satisfaction

Table 11: Responses on the way quality services that affects customer satisfaction

Quality services	Frequency	Percentage (%)
Communication	15	18.75
Competence	10	12.5
Security	5	6.25
Reliability	25	31.25
Responsiveness	20	25
Assurance	5	6.25
Total	80	100

Source: primary data

From the above, the findings shows that poor quality services can negatively affect the organization performance as many respondents suggested that it can lead to poor reliability to the company at (31.25%), others said that it leads to poor responsiveness at (25%). It also reduces and hinders communication channel systems in the company between company staff themselves and the clients of the company at the same time standing at (18.75%), competence at 12.5%, lastly followed by security and assurance tied up at 6.25% as indicated in the table above. This implies that management and organizational leaders should ensure that they apply only those quality services and competences which should not lead to the consequences shown above in the table.

Table 12: Responses on whether there is customer satisfaction related to quality services

Responses category	Frequency	Percentage (%)
Related	52	65
Not related	20	25
Not sure	8	10
Total	80	100

Source: primary data

From the table above, the findings indicates that to a large extent (65%) respondents suggested that there is less customer satisfaction followed by (25) respondents who said that it's not related and others (10%) were not sure of which causes that in the company, this findings relates to the idea suggested by Bhambra (1983) that "employees lack motivation. Frustration, low morel and satisfaction and conflicts develop in the company jeopardizing the organizational workforce and conflict hence leading to the above problem as indicated in the topic above.

Table 13: Responses on means of dealing with customer satisfaction in the company

Means of improving customer satisfaction	Frequency	Percentage (%)
Listen to customer feedback	21	26.25
Fix the individual customer problem	9	11.25
Analyze the data	12	15
Take action to resolve or prevent customer issues	8	10
Management systems	20	25
Feedback to customers on improvement	10	12.5
Total	80	100

Source: primary data

From the table above, the findings indicated that to large extent respondents suggested that there is poor listening of customers feedback at (26.25%) followed by management systems at 25%, analyze the data at (15%), followed by feedback to customers on improvement at (12.5%) followed by fix the individual customer problem at (11.25%) and taken action to resolve or prevent customer issues at (10%).

4.9 Indicators of customer satisfaction in Uganda telecommunication ltd.

Among the questions that the respondents had to provide their views were about the indicators of customer satisfaction in Uganda telecommunication ltd, to tell whether the indicators of poor customer satisfaction like list to customer feedback, fix the individual customer problem, analyses the data, management systems and lastly feedback to customer on improvement are displayed and here are the response in terms of rating; SA, A, D and SD respectively.

Table 14: Indicators of customer satisfaction in Uganda telecomm ltd

Options	Frequency	Percentage (%)
Strong agree	1	1.3
Agree	6	7.5
Disagree	32	40
Strongly disagree	41	51.3
Total	80	100

Source: primary data

On the indicators of customer satisfaction, the researcher wanted to identify whether the indicators given for customer satisfaction are displayed in the company, from the research 1.3% only strongly agreed that they are experienced, 7.5% agreed, 40% disagreed in other wards that they are not displayed and 51.3% strongly disagreed (they are not totally displayed at the company).

CHAPTER FIVE

FINDINGS, CONCLUSION AND RECOMMENDATION

5.1 Summary of findings

Findings on the relationship of the effect of quality services on customer satisfaction, the case study of Uganda telecom ltd.

5.2 Conclusions

From the findings summarized above, I wish to conclude that all the above objectives of the study have been achieved since the findings discussed above have been in line with the objectives.

Based on the results obtained by researcher, the following conclusions are made:

A. Customers have highest expectations on the promptness of service, accuracy of transactions, security issues and concerns; the customer's lowest expectations are cleanliness, ambience, etc. It must however be noted here that this rating is a comparative assessment and therefore this dimension of service quality scores lower in comparison to promptness, security and other security related issues. The dimension 'Staff performance' in our informal interviews was reported to be satisfactory by the respondents and therefore did not expect substantial improvements in their performance.

B. Custom ers reported highest satisfaction for promptness and speed of service along with accuracy of transactions at cash counters. They were also satisfied with the processing of transactions and efforts to expedite processing whenever the traffic at the counters increased. The lowest satisfaction levels were reported at the willingness of staff to assist customers in accessing facilities, assortments, information on products, stock positions etc.

It is very obvious from the results that Uganda telecom Itd is doing very well in the telecommunication business retail segment and has been able to deliver quality service in their retail outlets. Dimensions like attention to details, promptness in addressing complaints; initiation of corrective action on faulty transactions and goods is sought by the respondents. These issues could be prioritized as European Journal of Social Sciences – Volume 16, Number

2 (2010) 241 the most important ones for offering better and improved service quality to customers and to make shopping a pleasurable experience.

5.3 Recommendations

IMPROVEMENTS THAT CAN BE DONE BY MANAGEMENT ARE;

- i. Improving communication amongst staff members, using updated systems to process complaints, and ensuring error-free transactions.
- ii. Training of staff to enable them in assisting customers and provide them with relevant and timely information. Courtesy, etiquette and communication skills could be honed through continuous training of the staff.
- iii. Improvements in the ambience of the outlet, better shelves and space management, clear electronic sigh posts, clean walkways and aisles, lighting, promotional islands, etc should improve overall shopping experience for customers.
- iv. Provision for children's area, food courts, and adequate parking space, security, and M-sente facilities could provide hassle free shopping experience for customers.

LIMITATIONS

Customer expectations and Customer Perceptions are subjective and are in a state of constant flux and change. The findings therefore can be generalized to a given period, a pre-defined market, and economic scenarios. A longitudinal study could probably overcome or alleviate this limitation. The study also is confined to the Indian scenario and with Hyderabad as the focal point. Geo-demographic could have a great deal of influence on the customer expectations and perceptions. It is also not amiss to mention here that the zone of tolerance could vary from one customer to another. This variation has not been assessed in the current study. The study also confines itself to three defined formats and does not cover various other formats that exist in the retail sector.

5.4 Areas for Further Research

To enhance better understanding of the impacts of quality services in relation to customer satisfaction; I suggest that further studies should be made to answer the following questions.

- 1. What constitutes of customer satisfaction according to customer satisfaction theories?
- 2. Does ensuring customer satisfaction contribute to the business effectiveness, productivity and profitability?
- 3. What is meant by Customer Relationship Management Systems? Is there a relationship between Customer Relationship Management and customer satisfaction?
- 4. Are they useful in telecommunication companies? If so, how can they benefit from adopting Customer Relationship Management Systems?

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APPENDICES

APPENDICE 1 TIME FRAME

ACTIVITY	DURATION	
Topic	2 weeks in October	
Collection data	4 weeks in October & November	
Presentation	2 weeks in November	
Editing	2 week in December	
TOTAL	2 months and 2 week	

APPENDICE 2. BUDGET FOR THE STUDY

ITEMS	AMOUNT	
Stationery	150,000	
Transport	100,000	
Meals	100,000	
Printing and binding	250,000	
Miscellaneous	100,000	
TOTAL	700,000/=	

APPENDICE 3. QUESTIONNAIRE

Dear respondent;

I am Tuhaise Fiona a student of Kampala International University pursuing a Bachelors Degree in Business Administration (marketing).

I am conducting a study on quality services and customer satisfaction in Uganda telecom ltd. In the pursuit of my course, I am required to undertake a study, therefore it on this basis that I kindly request you to participate in this study.

The information you will share with me is purely for Academic purposes and will be treated with the utmost confidentially; you are therefore requested to tick or fill the appropriate answers respectively. NB no need of writing your name.

DEMOGRAPHIC

Do you know Uganda telecom ltd?
Yes NO NO
1. Do you use Uganda telecom ltd products?
□Yes □No
2. Age?
□15 □16 □17 □18 □19 or more □
3. What is your income per annum (GBP)?
□ $□0-19000$ $□$ $□20000-39000$ $□$ $□40000-59000$ $□60000$ or above
4. What is your occupation?
□Student □ □Employed □Unemployed
5. What is the highest level of education you have completed?
* High School
* Bachelor's degree
* Post graduate

SECTION B

QUALITY SERVICES

Under this section, respondents are asked to rate the level of mobility using the following criteria while indicate or writing a number/ figure that which suit their perception.

1 - Strongly disagree; 2 - Disagree; 3 - Agree and 4 - Strongly agree

The following are some questions that may identify whether your business is providing just basic
or excellent examples of good customer service.
CONSUMER SURVEY
1. What is your favorite UTL product brand?
□ Phones□ Sim-cards □modem □Other
2. How often do you purchase UTL services or products?
□ More than once a month □Once a month □ Once in two months □Once in three months □Once
in more than three months
3. How important is the brand image in choosing UTL products or services?
□ Very Important □Important □ Neutral □ Not Important □Not at all Important
4. Please rate the importance of price in choosing UTL products or services compared to other
telecommunication firms in the country?
□ Very Important □Important □ Neutral □ Not Important □Not at all Important
5. Please rate the importance of quality in choosing UTL services or products?
□ Very Important □Important □ Neutral □ Not Important □Not at all Important
6. A well-known telecommunication brand gadget or product is always more stylish and durable
than a small brand's.
□ Strongly Agree □ Agree □ Neutral □ Disagree□ Strongly Disagree
7. Please rate the importance of attractive package & stylish design in choosing UTL services
and products?
□ Very Important □Important □ Neutral □ Not Important □Not at all Important
8. Sales person plays a significant role in purchasing UTL's services and product.

□ Strongly Agree □ Agree □ Neutral □ Disagree□ Strongly Disagree

□ Strongly Agree □ Agree □ Neutral □ Disagree□ Strongly Disagree

9. Advertisement influences me to choose UTL services and products.

10. Which of the following media influence you in choosing UTL's services and product?
□TV□Newspaper/Magazines □Radio □Internet □Outdoor media
11. To what extent do you agree that past experience of the UTL's services or products plays an
influential role in your purchase decision?
□ Strongly Agree□ Agree □ Neutral □ Disagree □ Strongly Disagree
12. Friends or fellows can have influences on my buying decision of UTL's services and
products.
□ Strongly Agree□ Agree □ Neutral □ Disagree □ Strongly Disagree
13. I would like to try some products friends recommended in UTL Company.
□ Strongly Agree□ Agree □ Neutral □ Disagree □ Strongly Disagree
14. I use same branded gadget products as my friends to fit in the group from UTL Company.
□ Strongly Agree□ Agree □ Neutral □ Disagree □ Strongly Disagree
15. Using UTL's services and products can make me feel more confident and more attractive to
others.
□ Strongly Agree□ Agree □ Neutral □ Disagree □ Strongly Disagree
16. I could be attracted to buy some brands represented by celebrities from UTL Company.
□ Strongly Agree□ Agree □ Neutral □ Disagree □ Strongly Disagree
17. To what extent does your favorite celebrity or a celebrity you admire influence your choice
of brand when buying UTL's services and products?
□Extremely□ Very much □Fairly □Slightly□ Not at all
18. I usually trust in a well-known brand because of the advertisement with celebrity and famous
actress from UTL Company.
□ Strongly Agree□ Agree □ Neutral □ Disagree □ Strongly Disagree
19. I use UTL's services and product to identify myself with the celebrity used in the country.
□ Strongly Agree□ Agree □ Neutral □ Disagree □ Strongly Disagree
20. Is the employee trained to know the core business and can effectively supply the customer's
with what they require?
□ Strongly Agree □ Agree □ Neutral □ Disagree □ Strongly Disagree
21. Is the employee friendly and project a good image and manner to the customer?
□ Strongly Agree □ Agree □ Neutral □ Disagree □ Strongly Disagree
22. Does the employee deal with difficult customers with courtesy and respect?

□ Strongly Agree □ Agree □ Neutral □ Disagree □ Strongly Disagree
23. Is the employee helpful and ensures customer requirements are met?
□ Strongly Agree □ Agree □ Neutral □ Disagree □ Strongly Disagree
24. Does the employee regularly exceed standards by going the extra mile to provide outstanding
customer service?
□ Strongly Agree □ Agree □ Neutral □ Disagree □ Strongly Disagree
25. What expectations does customer have on Uganda telecom ltd service quality to becoms atisfied?
□ Strongly Agree□ Agree □ Neutral □ Disagree □ Strongly Disagree
26. What perceptions does customer have about the service quality at Uganda telecom ltd?
□ Strongly Agree □ Neutral □ Disagree □ Strongly Disagree
Focus Group Discussion
1. What factors do you believe needed to be considered to attract the teenage segments for
UTL's services and products?
2. What are the primary reasons for choosing celebrities in the commercials o telecommunication companies like UTL's services and product brands?
3. How important is the utilization of celebrity endorser in telecommunication firms' service and products market for instance like in UTL?
4. What is the role of peers and their influence on teenagers' purchasing decisions of cosmetic product?
5. What is your marketing strategy in order to attract the female teenagers?