

Customer Reaction towards the Delivery of Ethio-Mobile Services: The Case of Central Addis Ababa Zone /ETC/

BY

Bezuayhu Amlake

Faculty of Business, Department of Marketing Management

1. Statement of the problem

Telecommunication is one of the most fundamental elements for the socio-economic and political development of a country. It is also expected to help the country fully integrate into the modern global economy and serve as hub for the commerce and communication at a regional level. Ethiopian Telecommunication Corporation/ETC/ is the sole public operator and distributor for mobile telephone service of the country. In order to achieve its objectives i.e. providing mobile phone service, the corporation is facing challenges both in efficiently distributing mobile telephone services and ensuring utmost customer satisfaction.

Some of the problems that pose barriers for the corporation not to render efficient service and achieve customer satisfaction and confidence are the following.

- Lack of customer oriented and service focused delivery with primary emphasis being given to network expansion alone so far.
- Mobile phone users differ in terms of gender, age, educational background, profession, etc. Besides, there are group of individuals who cannot read and write. Even if they do, they may not understand the language of communication i.e. English language. This has caused another problem and prohibited them not to fully benefit from available services.
- Customers also criticized the service fee i.e. the monthly 50 birr for post-paid customer. Prepaid customer also complained that they don't have a clear idea as to how much exactly is the worth of the card they bought.

2. Objectives of the study

The general objective of this study is to identify the problem and prospect of customer satisfaction in ETC Leghar branch. The specific objectives of the study are to;

- identify the most common factors hindering ETC Legbhar branch to customer service handling.
- evaluate the reaction of customer towards price quotation of the corporation.
- evaluate coordination among the service quality permanent with customer service handling.
- evaluate the method that ETC, at Central Addis Ababa Zone (Leghar Branch),uses to match the demand with its capacity.

3. Research Questions

The study will answer the following questions.

- What are factors that hinder the provision of effective and efficient mobile service for ensuring satisfaction of customers?
- What are the reactions of customers towards price questions of corporation?
- Is there any coordination among the service quality parameter in customer handling with regard to mobile services?
- How does the company match the demand for mobile telecom services with its existing service capacity?

4. Delimitation of the Study

Ethiopia Telecommunication Corporation (ETC) provides a length of telecommunication service including Fixed Telephone, Wireless Telephone, Mobile Phone, Internet and Broad Band, etc. However, the study is delimited to mobile phone services. Since the number of branches offering mobile services is huge in number, the study is focusing on only Central Addis Ababa Zone (Legehar Branch). Besides, only those customers who acquired Mobile Sim Cards from the branch are considered.

5. Research Methodology

The study employed descriptive research method. Employees and customers of ETC of the Central Addis Ababa Zone were the target population of this study where there are 300 mobile users and 30 staff employees. All the 30 employees, who have direct contact with customers, were considered as subject of the study. Out of 300 customers, 100 of them were selected as a sample respondents using convenience sampling technique.

Both questionnaire and interview were used as a data collecting tools. An interview was held with service delivery managers and questionnaires were distributed to users of mobile phone services and employees

The researcher employed descriptive statistics to summarize the findings. Percentages were computed to get the total picture of the data collected from sample respondents. The summarized data were then presented in the form of tables. Results of an interview were transcribed to substantiate the quantitative findings.

6. Summary of findings

Below are summary of the major findings.

- Regarding the availability of methods that the company is using to receive suggestions and complaints, 34(40%) of customers responded there is no instrument or means availed by the corporation to provide suggestions and/or complaint about the service of the corporation.
- In relation to service parameters, 50(58.82%) of customers and 16(53.33%) of employees said that reliability of employees in serving customer is high; 41(48.24%) of customer responded that employees are not responsive to customers while 47 (55.29%) of customers consider that the corporation give due regard to tangibility to build a good image in the eyes of customers.
- Regarding the mobile phone service tariffs, 53(62.35%) of customers and 24(80%) employees responded that it is “Not good” in line with the living standards of target customers.

- 60(70.58%) of customers and 22(73.33%) of employee indicated that the corporation's method to handle customers during high demand is not comfortable or convenient. Where as 35(41.17%) of customers responded that the corporation uses "place and time change" as a strategy during low demand.
- The majority of customers replied that there is low usage of basic services like call alert, call barring, call waiting (call holding), call divert, voice mail and short message service (SMS) as the corporation is not promoting the services to the society. The response obtained from an interview of employees indicated that the corporation could become beneficiary by increasing those basic value added features thereby it would ensure better customer satisfaction.

7. Recommendations

Based on the findings indicated above, the researcher would like to provide the following recommendations

- The corporation should apply well designed suggestion /complaints receiving system to create and facilitate sustainable relationship with its target customers. In this respect, the corporation should think of providing 24 hours customers care service and strengthen mobile customer care service.
- Integrating the service quality parameters should be reconsidered by the corporation to let the target customers be fully satisfied by the service.
- The price tariff quoted by the corporation for both prepaid and postpaid user should be revised by taking into account the buying power of customers and employing a cost effective strategy.
- The corporation should devise an appropriate strategy to cater service during high and low demand by taking in to account the prevailing scenario at hand. Basic value added feature on mobile service should be well promoted by the corporation to all current and potential users with a view to providing diversified service and thereby increase its revenue.