CHAPTER 5
CONCLUSION AND RECOMMENDATION

This chapter begins with a summary of the findings of this study on the customer's satisfaction / expectation against the services provided by the Service Providers. It then outlines the implications flowing from the study and the limitations inherent in it. The chapter concludes with some recommendations for future research on customer satisfaction.

5.1   Summary of Findings

The findings of the study clearly indicates that male are predominant users of cellular phones but females have less sensitive towards expectations. This is evident by the low scores given in the Oneway ANOVA analysis of the gender with respect to the gaps. Crosstabulation using Pearson Chi –Square of race, income, education, sex, age and marital status, showed significance for only education and sex (gender). Further analysis indicates that most of educated population, irrespective of gender preferred Maxis. This is illustrated by hypothesis discussed in 4.1.3.m. Majority of the Maxis users were either Chinese or Indian. The higher income bracket of respondents (income >RM3000) also preferred Maxis. Age did not seem to have any influence of choice. However majority of the respondents greater than 30 years of age preferred Maxis as the first choice whereas the respondents below 30 years of age had an even distribution spread over Maxis, Adam, TmTouch, Mobikom, Celcom and Digi 1800.

On the analysis of the Gap Model 5 dimensions were identified but they were not in line with Gap Model. Many evidences, as provided by Parasuraman(1985,1986) has shown that the most important gap of all the gap is The Gap 1 or The Promotional Gap- the gap between management's perception of service delivered to the customer's expectations of that service. The smaller the gap the greater the Satisfaction Index. In our previous chapter

Gap1 had an average score of 6.77 or 67.7 % wide. This wide gap is a direct link to low satisfaction Index. This is because the Service Provider is not the decision-maker and hence does not understand what is to be delivered to the customer. In most of the cases the Service Provider over or under estimates the customers expectations. This is because they do not deal directly with their customers and hence lack the knowledge or the ability to react to customer's requirements. However it is quite surprising the Celcom, which has the largest network with so many of the own counters, did not have a high satisfaction index.

The SERVQUAL Model resulted in the formation of 3 dimensions instead of 5 as supported by Parasuraman (1988). Dabholkar (1996) also clearly stated that the SERVQUAL model could not be applied universally. Taylor (1992) on the other hand concluded that the SERVQUAL was only a 1 dimension model. Finn and Lamb(1991) while studying retailing measurements, also did not support Parasuraman's conclusion that SERVQUAL scale can be used to assess the quality the quality of firms(such as Celcom for instance) in a wide range of service categories.

The SERVQUAL model itself could have used to measure the Satisfaction Index. However thus was not possible because most of the service provider's did not dispose their service directly through their own outlets. Most often the used the services of the Post Offices. Only Maxis and Celcom had direct service outlets.

The American Automobile questionnaire's used to asses the Customer Satisfaction was also use in this research. The total reliability for these scales were 0.9771, a very high score and hence very much applicable in the Malaysian context. Furthermore the Indexes showed significant relationship with the Gap Model. Service Provider's having larger gaps had low Satisfaction rating.

5.2 Implications of the Study

The findings reveal that the overall service quality among all the Service Providers are not that encouraging. With CSI values ranging from 4.43 to 6.80, there is obviously a large predisposition between what the Service Provider perceives and what the customer expects. Therefore, efforts must be made to either meet or exceed their expectation.

There are also significant quality gaps among all the Service Providers. These gaps range from 42.8 % to 51.3 %. Many companies make the fundamental mistake of assuming that they know what their customers expect and through that lose customers. Research has shown that it is five times more expensive to win a new customer, than it is to keep an old customer. This research clearly indicates that customers perceive better services. Some of the problems may be due to aft that POS Malaysia acts on their behalf for collecting of payments but do not entertain complaints or suggestions.

Service Providers must be sensitive to the determinants of service quality common to industries or organization providing similar services. The disprepancy between what the wants(customer expectations) and how the customer experience the service(customer perception) is an important element for all service provided by an organization or institution. Customer's expectations are formed by word-of-mouth communications, personal needs, past experience and by how the Service Provider communicates. Customer perceptions are formed by the customer experiencing so-called "moments of truths". A "moment of thruth" is the basic atom of service and is used to describe each episode in which the customer comes in contact with any aspect of the Service Provider. A single negative at any point in the service cycle can spoil the entire experience.

The inability of Celom to address the "clonning problem" is one such example. We have often being led to believe that the reception along the highways are excellent, reception and dial outs are possible under any conditions but the analysis from this survey indicates otherwise. The quality of reception and dial-outs under most conditions are only between the ranges of 42.4 % to 51.3%. Such "moment of truths" can have devastating effect on the service cycle, resulting in loosing loyal customers.

5.3   Limitations of the Study

The study suffers from few limitations. One is he time period (study coducted with 2 months) and the other is the distribution of sample size. Although various organizations were identified, certain individuals within these organizations were responsible for sending the questionnaires. While every effort was taken to avoid errors in either sampling or measurements, it can never be known who actually received and completed the questionnaire. The major limitation was the disinterest on the part of Service Providers to assist by providing secondary data or any assistance of any kind.

The findings from the reliability tests, factor analysis presented in Chapter 4, confirmed some variations in the dimensions. Nevertheless the credibility of the and reliability of measuring instrument was confirmed through very high scores. Hence, the findings of the study can be generalized as representative of the cellularphone users in the Klang Valley.

5.4   Recommendations for Further Research

Research needs to be done in order to determine whether there are any differece in the perception and expectation of service quality, reflective of gender difference. This was identified as significant during the crosstabulation analysis. Also there were significant relationship between younger generation, level of education and preference towards a specific Service Provider. There were also significant gaps identified in the survey. Research should be done to determine the causes and correction action required to lessen these gaps. Service Providers should make every effort in improving the gaps. Telling the customers for improvements will be acted upon or thanking for their words of suggestion or praise would be an excellent start. There was a good reciprocal relationship between Gap and CSI (higher the Gap lower the CSI). There could be a linear relationship and probably a regression equation could to developed either individually or generally across all Service Providers. The SERVQUAL Model showed a tendency to skew towards one dimension. In this survey, 3 dimensions were identified but majority of the items appeared in one factor. Further research is required to either prove or disprove Taylor's(1992) conclusion. It is alos quite evident that there are significant problems associated with receiving and calling out calls. This was clearly identified in Section G of the questionnaire design. Service Provider must make efforts to verify and validate what they advertise.

All the deficiencies highlighted above also goes to prove that there is wide range of opportunity for improvement. The involvement of the Service Providers is crucial to the successful satisfaction improvement process. In almost every organization success, the work force will have been involved throughout the process. Without their involvement, satisfaction program is just a fad. The pervasiveness of the program and the organization's commitment to it may be transparent unless the work force is meaningfully engaged in the process. In most of the cases, respondents believed that connections took a day or more. While 40 % felt this was quite acceptable there was a significant 20% of them

who felt that this was very or completely unacceptable. The large score in the promotional, understanding and procedural gaps clearly illustrates that there is very little in the satisfaction process between the workforce of the Service Provider and the user.

An excellent approach Service Providers could look into is the Customer Satisfaction Test (CST) developed by MBNA International Bank (USA). The CST makes use of 12 measurements to assess satisfaction. The measures are;

- readiness to serve
- system to serve (quality, procedures, SOPs)
- two ring pick-up (pick up before the third ring)
- speed to answer
- product replacement
- new account set-up
- no error processing
- credit line increases
- customer correspondence
- statement generation
- payment processing

For example, readiness to serve measures the number of people who are working that day, rather than focusing on absenteeism. Almost 1,200 employees of MBNA earn a bonus if the daily challenge of the CST are met or exceeded. Typically the targets are set at 98 to 100%. Service Providers in Malaysia could adopt such a measure that aims to provide an environment where people feel good about themselves. The view from the board is that satisfied people satisfy customers.