

Factors Influencing on Customer Satisfaction of FTTH Broadband Services in Vavuniya District

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Introduction

Customer Satisfaction can be defined as a feature or characteristics that can fulfill a need of a consumer in a better way than competitors. If a company provides a product or service as per the requirements of their consumers, it will lead the satisfaction of those consumers. The higher or lower satisfaction of a consumer will depend upon the quality of brand characteristics that offered by a company (Gerpott, T. J,2001). For the retention of consumers, it is essential to satisfied consumers (Guo, L, 2009). The unsatisfied consumers of a company will not take much time to switch the operator (Lin, J. S. C., 2011).

Penetration of fixed-line broadband services among the fixed line telephone users in Vavuniya is significant in Sri Lanka. Most of the broadband consumers have been satisfied with access through ADSL or 3G (HSPA) data services with affordable prices and not much interested with new incoming technologies such as Fiber to The Home (FTTH) or LTE. The FTTH broadband services were introduced very recently and utterly different from previous broadband access technologies. It is crucial to know about customer satisfaction level of the FTTH broadband internet access. Hence it is essential to examine the factors affecting the FTTH broadband services. The objectives of the present study are;

- To identify the factors influencing the customer satisfaction of FTTH broadband services in Vavuniya District.
- To measure the impact of influencing factors on the customer satisfaction of FTTH broadband services in Vavuniya District.

This study is focused on the level of customer satisfaction in the telecommunications industry for FTTH broadband access services and examines the factors influencing the customer satisfaction in the Telecommunication services in Vavuniya District.

Literature review

Telecommunications enables undertaking social, economic, political, cultural, trade and commercial activities. Hence, the nature of a country's telecommunications industry affects its pace of commercial and domestic activities. Of course, the telecommunications industry plays a vital role in the Sri Lankan economy. Service quality, service recovery, pricing, brand image, and customer services are playing a vital role in customer satisfaction in telecommunication services.

Despite the widespread recognition attached to customer satisfaction, researchers have not yet agreed on one global definition for it. Although the constructs have been thoroughly explored, one theoretical model has not and likely will not be accepted due to the complex process involved in arriving at a customer's judgment of satisfaction or dissatisfaction. Swan and Combs (1976) defined satisfaction as a post-purchase attitude. Westbrook (1980) introduced the notion that customer satisfaction involves cognitive and affective aspects in pre-purchase, purchase and post-purchase phases of buying goods and receiving services. Rust and Oliver (1999) suggest that customer satisfaction or dissatisfaction emerges as a response to a single or prolonged set of service encounters.

Service quality is a consumer's overall impression of the relative inferiority or superiority of an organization and its services (Bitner and Hubbert, 1994). Service recovery refers to the actions an organization takes in response to a service failure (Gronroos, 1988). Pricing is an essential factor in the marketing mix. Balmer (2009) highlights the importance of brand image, asserting that a link exists between an individual's image of the organization and that person's behavior towards it. Customer service is an essential factor of the marketing mix for any product or service.

Methodology

The Conceptual model of the present study is illustrated in Figure 1. The conceptual model indicates the independent and dependent variables of the Study.

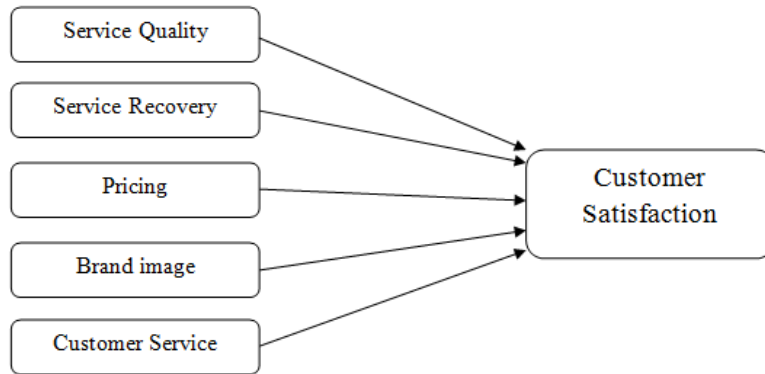


Fig. 1: Conceptual Model

Service quality, service recovery, pricing, brand image, and customer service considered as independent variables and customer satisfaction considered as the dependent variable of this study.

FTTH broadband customers in Vavuniya District considered as a population of this study. The total population of this study is 249. 152 customers were selected as sample of this study, and the random sampling technique was used for this study purpose. The structured questionnaire issued among the randomly selected customers in Vavuniya District and Likert five scale method is using in the questionnaire.

The collected data were analyzed by using Statistical Package for Social Sciences (SPSS 20.0). Regression analyses were done for measuring the impact on the independent and dependent variables in the present study.

Results and Discussions

The regression analysis was done for measuring the impact of independent and dependent variables of this study. The results indicated that the service quality of the Telecom industry has a significantly positive impact on the customer satisfaction of the FTTH broadband ($\beta = 0.658$, $p > 0.1$). The brand image has also positively significant impact on the customer satisfaction ($\beta = 0.284$, $p > 0.5$). The service recovery of the FTTH broadband has a negative impact on the customer satisfaction ($\beta = -0.271$, $p > 0.1$). The results are illustrated in Table 1.

The R^2 of the present study has highly significant ($\Delta R^2 = .773$, $p < .01$). It indicates that the factors influencing the customer satisfaction have a significant impact on the customer satisfaction of the present study. Further, the influencing factors have 73% (of the variance in the customer satisfaction. A significant simple linear regression equation was found $F = 17.704$, $P < 0.01$. The F value also has

significance in this study. The results indicated in Table 2 and Table 3. Therefore, the factors have profoundly impact on the customer satisfaction of the FTTH broadband services. Especially service quality and brand image have a higher impact on the customer satisfaction than the other variables in this study.

Table 1: Regression Results of the Independent and Dependent Variables

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.786	.463		1.699	.099
Service quality	.705	.166	.658	4.252	.000
Service recovery	-.315	.140	-.271	-2.252	.033
Price fairness	.159	.142	.165	1.121	.273
Brand image	.273	.143	.284	1.918	.046
Employee customer orientation	-.029	.115	-.033	-.254	.801

Source: Survey Data

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. The error of the Estimate	Durbin-Watson
1	.879 ^a	.773	.729	.44486	2.206

Source: Survey Data

Table 3: Anova

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	17.518	5	3.504	17.704	0.000
Residual	5.145	172	.198		
Total	22.663	177			

Conclusions and Recommendations

Based on the empirical results, this study concludes those service quality and brand images are the most critical factors of customer satisfaction with FTTH broadband services.

Second, the result of the significant impact of the brand image on the customer satisfaction. The finding indicates that brand image is an essential element in the customers' perspective. Therefore, it has a significant impact on the customer satisfaction.

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