

CHRISTIAN SERVICE UNIVERSITY COLLEGE



SCHOOL OF BUSINESS

DEPARTMENT OF MARKETING

**ASSESSING CUSTOMER PERCEPTION ON GHANA WATER COMPANY LIMITED
SERVICES KUMASI**

BY

KUSI APPIAH

LAURENCE ABETIA

SYLVESTER ANTWI

RICHARD OPOKU

BOATENG EMMANUEL OWUSU

YAW APPIAHENE NKRUMAH

**A LONG ESSAY SUBMITTED TO THE CHRISTIAN SERVICE UNIVERSITY
COLLEGE IN PARTIAL FULFILMENT OF THE REQUIREMENT FOR THE AWARD
OF A BACHELOR'S DEGREE IN BUSINESS ADMINISTRATION**

(MARKETING OPTION)

JUNE, 2015

DECLARATION

We declare that we have jointly, under the supervision of Mr. Stephen Banahene of the *CSUC* School of Business, undertaken this study and that any other material contacted have been fully referenced.

NAME	INDEX NOS.	SIGNATURE	DATE
KUSI APPIAH	10148437	.....	.....
LAURENCE ABETIA	10140896	.....	.....
SYLVESTER ANTWI	10216970	.....	.....
RICHARD OPOKU #2	10144241	.....	.....
BOATENG EMMANUEL OWUSU	10217622	.....	.....
YAW APPIAHENE NKRUMAH	10143278	.....	.....

I declare that I have supervised the students in undertaking the study herein and confirm that the students have the permission to present it for assessment.

Signed:

.....
Mr. Stephen Banahene
(Supervisor)

.....
Date

Certified by

.....
Mr. Stephen Banahene
(Head of Department)

.....
Date

DEDICATION

We dedicate this long essay to our parents for their great help and to Mr. Stephen Banahene, Head of Marketing Department. We say thank you and may God richly bless them.

ACKNOWLEDGEMENTS

We express our profound gratitude to our supervisor, Mr. Stephen Banahene, lecturer of Christian Service University College for his support, immense advice, encouragement and guidance, without which we would not have been able to complete this research work. Our sincere gratitude also go to our family and friends and also to Mr. Appiah Sarpong, lecturer of Christian Service University College and Dr. Kwaku Ahenkorah, Dean of Business School, Christian Service University College. Finally, I thank the entire staff body of Ghana Water Company Limited Kumasi Branch for their support.

ABSTRACT

Water is essential in the life of all living things most especially human beings. Ghana Water Company Limited (GWCL) has since the colonial time been the major source of portable water under different names for both domestic and industrial use. The Vision of GWCL is to provide portable water to all urban population in Ghana by the year 2015 and its missions are committed to meeting the increasing demand for better service delivery through efficient and effective management of their core business-production, transmission, distribution of water and customer management. Some of the problems that most customers of GWCL face when it comes to services rendered include the supply/regularly flow of water, billing system, safety of the water quality and complaints handling. The objectives of this study was therefore to assess the customers perception on the flow reliability (hours) of the water service delivered, assess the general perception on the quality of water delivered to consumers and investigate the public perception interms of cost and response time to correct defects by GWCL. For the research design of this to determine the study, GWCL and its customers were used fro the study. The research was therefore conducted using both primary and secondary data collection including questionnaires, face to face interviews with the various departmental heads of the company and as well as customers of the company. The sampling procedures used was judgmental sampling technique. The researcher is hoping that the industry under study will take recommendations made seriously so that they would realize the full benefit of the study.

TABLE OF CONTENTS

Contents	Pages
Title Page	i
Declaration	ii
Dedication	iii
Acknowledgement	iv
Abstract	v
Table of Contents	vi

CHAPTER ONE: INTRODUCTION

1.1 Background of Study	1
1.2 Problem Statement	3
1.3 Objectives of the Study	4
1.4 Research questions	5
1.5 Significance of the Study	5
1.6 Scope and Limitations of the Study	6
1.7 Organization of Study	7

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction	9
2.2 Definition of Key Concept	9
2.2.1 Customer	9
2.2.2 Customer Motive	10

2.2.3 Customer Perception	11
2.2.4 Customer Service	11
2.2.5 Customer Satisfaction	12
2.2.6 Customer Loyalty	13
2.2.7 Customer Decision Making Process	14
2.3 Measuring the Performance of Water Services	16
2.3.1 Customer Service Theories	17
2.3.2 Service logic versus goods logic	18
2.4 SERVQUAL methodology	19
2.5 Service and Communication	20

CHAPTER THREE: METHODOLOGY

3.1 Introduction	22
3.2 Research Design	22
3.3 Sources of Data	23
3.4 Population and Sample Frame	24
3.5 Sample Size	24
3.6 Sampling Technique	25
3.7 Data Collection Instrument	26
3.7.1 Questionnaires	27
3.8 Pilot Testing	28
3.9 Data Analysis	28
3.10 Brief Profile of Ghana Water Company Ltd	28

CHAPTER FOUR: ANALYSIS, FINDINGS AND DISCUSSIONS

4.1 Introduction	30
4.2 Sample and Response Rate from Respondents	30
4.3 Demographic Characteristics of Respondents	31
4.3.1 Demographic characteristics of customers	31
4.3.2 Demographic Characteristics of Employees	33
4.3.3 Departments of Employees in GWCL	34
4.3 Customer service complains used by GWCL	35
4.4 Evaluating Service Quality with the SERVQUAL Model	37
4.4.1 Reliability Results of the SERVQUAL Model	37
4.5 Customers Satisfaction of Service Quality Dimensions	39
4.5.1 Satisfaction level of Tangibles	40
4.5.2 Satisfaction Level of Reliability	40
4.5.3 Satisfaction Level of Responsiveness	41
4.5.4 Satisfaction Level of Assurance	41
4.5.5 Satisfaction level of Empathy	42
4.6 Customers' Satisfaction Level of the SERVQUAL	42
4.6.1 Overall Satisfaction of Service Quality	43
4.7 Effect of Perception on Customer Satisfaction	44
4.7.1 Customer perception on communication practices adopted by the GWCL	45

CHAPTER FIVE: SUMMARY FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction	47
5.2 Summary Findings	47
5.2.1 Demographic Characteristics of Customers	47
5.2.2 Examining the quality of service using the SERVQUAL model.	47
5.2.3 The effect of perception on service delivery of GWCL	48
5.3 Conclusion	48
5.4 Recommendations	49

Bibliography

Appendices

CHAPTER ONE

INTRODUCTION

1.1 Background of Study

One of the best ways to raise the service level is by knowing the customers perceptions (Zemke, Woods 1998, 273).“All people, whatever their stage of development and their social and economic conditions, have the right to have access to drinking water in quantities and of a quality equal to their basic needs”(UN, 1977). Water is the most important of all public services. It is the most essential necessity of life after oxygen. Anything that disturbs the provision and supply of water therefore tends to disturb the very survival of humanity for that reason, it is essential to recognize customers’ needs and wants, as well as which the elements are that attract them to visit service provision. (Zemke, Woods 1998, 273)

Although water covers about 70 percent of the Earth’s surface, only 1 percent of it is available to us as a source for drinking. It is understood that our body is made up of about 70 percent water and that it controls virtually every aspect of our health. The importance of water is not only attached to the drinking but also to cooking, bathing, washing and other activities. Where provisions for water and sanitation are inadequate, the diseases that arise from contaminated food, water and hands are among the world’s leading causes of premature death and serious illness (UN, 1977).

The challenges facing many countries in the world today in their struggle for economic and social development is increasingly related to water. One of the international goals set for the year 2015 in the United Nations Millennium Declaration and in the plan of

implementation of the world summit on sustainable development is reducing the proportion of people without adequate access to water and basic sanitation by one-half. While access to sufficient and clean drinking water may be taken for granted in the developed world, problems with access are most severe in the developing world, where more than five million people perish every year from water-related diseases, and more than one billion people suffer without access to water for their basic needs (Geotimes, 2005).

The concept of customer perception is built up by customer experiences, how they perceive the service they are offered and ultimately by whether they actually are satisfied with their experiences or not. One way of competing more successfully for utility today is by offering true customer service and service quality (Wilson, Zeithaml, Bitner and Gremler 2008, 78). Eventually, the success of the organisation is settled by how strongly the image of the service and the products the organisation is providing meet the customers' expectations. (Porter, Claycomb 1997, 373).

Africa has the lowest water supply and sanitation coverage of any region in the world. More than 30% of Africans residing in urban areas currently lack access to adequate water services and facilities. In the year 2000, World Health Organisation (WHO) estimated that Africa contains 28% of the world's population without access to improved water supplies, and 13% of the world's population without access to improved sanitation. Only 62% of the people in African countries have access to improved water supplies, and only 60% have access to improved sanitation (WHO, 2000; p6).

According to World Health Organization (WHO), in order to meet the recently established Millennium Development Goals (MDGs) of halving the unserved population by 2015,

urban Africa requires about 6000 to 8000 new water connections to water source every day. This will call for strong political commitment backed by resources and action if governments are willing to reduce the widening gap between served and unserved households.

Stephens (1996) showed that in Ghana low-income communities that relied on public taps received less water and faced greater shortages than high-income communities in part because of the consumption patterns of the latter. A further problem with intermittent water supply is that households may be forced to store water within or close to the home, thus leading to increasing risks from vector-borne diseases. Zerah (2000) indicates that low-income families in New Delhi are likely to be at greatest risk from poor water supply continuity.

Furthermore, as many developing countries are either already experiencing or facing water scarcity and water stress, the need to control consumption of water to conserve resources is also critical (Gleick, 1993). The reform of public water utilities has received increasing attention over the past decade (Schwartz, 2006).

1.2 Problem Statement

The water supply sector in Ghana faces a lot of problems, partly due to a neglect of the sector over a long period with tariffs at a low level which was far from reflecting the real cost of the service. Economic efficiency still remains below the regional average, resulting in a lack of financial resources to maintain and extend the infrastructure.

Quite a substantial amount of research has been done already about customer perceptions within several different contexts, mainly within the utility industry and service providers. However, customer perception studies from water companies perspective are hard to find. Moreover customer perception studies done within other industries, segments and from other countries does not necessary be applicable within this context. The theoretical part in the thesis refers to several international articles about customer perceptions, Therefore, researchers have noted that gap in that service environment, Measures and strategies put in place to win and retain customers by utilities is becoming challenging, with this situation confronting the industry, this study seeks to investigate customers perception on the waterservices delivery rendered by the GWCL, Kumasi and also increases their ability to attract new customers and to win the loyalty of existing customers, as well as increasing the positive word-of-mouth effect.

1.3 Objectives of the Study

The following are the objectives of the Study,

- Assess the customers perception on the flow reliability (hours) of the water service delivered
- Assess the general perception on the quality of water delivered to consumers
- Investigate the public perception interms of cost and response time to correct defects by GWCL.

1.4 Research questions

In order to investigate the problem, the following research questions have been formulated, answers to these questions will give a clear picture of the customer perception on GWCL in Kumasi,

- What are the customers' perception on the flow reliability (hours) of the water service delivered by GWCL?
- What is the perception on the quality of water delivered to consumers?
- What is the public perception in terms of cost and response time to correct defect by GWCL.

1.5 Significance of the Study

This study seeks to establish customer perceptions on utility provision in Ghana focusing on Kumasi, which will further serve as benchmark data for any further investigation and also as a useful material for academic purposes.

The study will enable the researchers to assess the expectations of the water quality service delivery and make inputs into the success and sustainability of the projects for GWCL. It will provide useful ideas to better enhance water supply and service provision in the country.

Again the outcomes and the associated outputs of this research would enable GWCL to equip its partners, other sector players, citizens and communities to engage with sector providers and policy makers in providing quality and affordable water locally. This would enable GWCL and partners to contribute to creating demand and supply side accountability in sector governance

Finally, this study would stimulate research in new and under researched areas that is likely to provide useful data to inform policy making, planning decisions and advocacy efforts at local and other levels.

1.6 Scope and Limitations of the Study

The scope of the study is Ghana Water Company Ltd; the study will be limited to Kumasi City. The first public water supply system in Ghana, then Gold Coast, was established in Accra just before World War 1, Extensions were made exclusively to other urban areas among them the colonial capital of Cape Coast, Winneba and Kumasi in the 1920s.

During this period, the water supply systems were managed by the Hydraulic Division of Public Works Department. With time the responsibilities of the Hydraulic Division were widened to include the planning and development of water supply systems in other parts of the country.

In 1948, the Department of Rural Water Development was established to engage in the development and management of rural water supply through the drilling of bore holes and construction of wells for rural communities. After Ghana's independence in 1957, a Water Supply Division, with headquarters in Kumasi was set up under the Ministry of Works and Housing with responsibilities for both urban and rural water supplies.

Several constraints were encountered by the researchers in the course of the project. They include;

-) **Time;** There will be time constraint on the part of the researcher who had to combine both academic activities such as attending lectures, taking part in examination among other things, with moving up and down to collect information to accomplish the project.
-) **Financial;** There will be also a constraint on financing the project work. This was to the extent that the researcher had to commit personal resources into the project for designing, typing and printing of questionnaire, transportation to the selected organization for information and the typesetting of the entire manuscript of this study.
-) **Response;** There would also be a constraint on getting respondents for the research. Some of the target respondents were reluctant to respond to some questions they considered sensitive to the affairs of the management.

1.7 Organization of Study

This project was divided into five chapters, chapter one comprises the background of the study, statement of the problem, research questions, significance of the study and the objectives of the study. Chapter two deals with the reviewing of literature from various articles, journals, books, and other works done by other researchers.

The reviewing of literature will be concentrated on definitions, concepts, conceptual framework, theories, modules, current issues about the study and important issues that addressed the research problem

Chapter three discusses the method that was used in collecting data and analysis of the data and the outcome of the data that was obtained from the research.

Chapter four deals with the findings and analysis of data collection from the study and interpretation from the responses that was received from respondents

Chapter five is the final chapter and it summarizes the outcome of the study, the conclusion and possible recommendation.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviews literature from articles, journals, books and publications on the motive of customers on the supply of water. The study takes into consideration the general overview and concept of customer motives, perception, customer satisfaction and general service provision. It also discusses some of the relevant studies on history, factors, theory of service and decision making process of the customer.

2.2 Definition of Key Concept

2.2.1 Customer

A customer may or may not also be a consumer, but the two notions are distinct, even though the terms are commonly confused. A customer purchases goods; a consumer uses them. An ultimate customer may be a consumer as well, but just as equally may have purchased items for someone else to consume (Adam et al 2005). The situation is somewhat complicated in that ultimate customers of so-called industrial goods and services (who are entities such as government bodies, manufacturers, and educational and medical institutions) either themselves use up the goods and services that they buy, or incorporate them into other finished products, and so are technically consumers, too(Ogawa 2007).

However, they are rarely called that, but are rather called industrial customers or business-to-business customers (Joby 2003). According to the chartered institute of bankers (CIB UK 2009) for a bank, a customer is a person who is utilizing one or more of the services

provided by the bank. A customer is a person through whom the bank gets an opportunity to make an earning in return to the service they can provide the customer with. For Ex: an individual who has a checking account with a bank or an individual who has a mortgage or a loan with the bank or an individual who has a fixed deposit with the bank are all customers of the bank.

2.2.2 Customer Motive

According to Duncan (2012), customer buying motives are those influences or considerations which provide the impulse to buy, induce action or determine choice in the purchase of goods or services. In the words of Storvath (2005), “Behind every sale, there is always a buying motive. But that motive is never merely to own or possess the article in question. It is, on the other hand, always the prospect’s belief that the ownership of the article will satisfy some specific desire on his or her part.”

Duncan (2012) again reiterated that by the influence of certain mental and economic forces, people buy articles. These mental and economic forces create desires or want in the minds of these persons. The prospects think that their wants or desires can be satisfied by the articles presented by the salesman. ‘Motive’ is the strong feeling, urge, instinct, drive, desire, stimulus, thought, emotion that make the buyer to react in the form of decision to purchase. A person buys not because he has been persuaded but he wants to possess the article concerned. A desire is based on some instinct or buying motive.

2.2.3 Customer Perception

Customer perception is the process by which people translate sensory impressions into a coherent and unified view of the world around them. Though necessarily based on incomplete and unverified (or unreliable) information, perception is equated with reality for most practical purposes and guides human behavior in general (Business dictionary 2012). As a marketer customer perception plays a key role in decision making thus schiffman et al (2009) define perception as the process by which an individual select, organizes and interprets stimuli into meaningful and coherent picture of the world.

In other words, Perception includes the five senses; touch, sight, taste smell and hearing. It also includes what is known as proprioception, a set of senses involving the ability to detect changes in body positions and movements. It also involves the cognitive processes required to process information, such as recognizing the face of a friend or detecting a familiar scent.

2.2.4 Customer Service

Customer service is the provision of service to customers before, during and after a purchase. According to Turban et al. (2002), "Customer service is a series of activities designed to enhance the level of customer satisfaction – that is, the feeling that a product or service has met the customer expectation."

Its importance varies by products, industry and customer; defective or broken merchandise can be exchanged, often only with a receipt and within a specified time frame. Retail stores often have a desk or counter devoted to dealing with returns, exchanges and complaints, or

will perform related functions at the point of sale; the perceived success of such interactions being dependent on employees "who can adjust themselves to the personality of the guest.

According to Micah (2005), from the point of view of an overall sales process engineering effort, customer service plays an important role in an organization's ability to generate income and revenue. From that perspective, (Joby2005) pointed out that customer service should be included as part of an overall approach to systematic improvement. A customer service experience can change the entire perception a customer has of the organization.

(Athola et al 2004) argued that the quality and level of customer service has decreased in recent years, and that this can be attributed to a lack of support or understanding at the executive and middle management levels of a corporation and/or a customer service policy.

2.2.5 Customer Satisfaction

The term frequently used in marketing, is a measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction is defined as "the number of customers or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals. (Wikipedia)

For any performance measurement system for services in water delivery to be successful, the views of the users of the service is crucial. This is because their level of satisfaction with the services indicates the performance of the system. According to MIME consult report (2003), high access to the service indicates increased customer satisfaction and consequently their willingness to pay for the water; improved health benefits; and

improved revenue collection (cited in CWSA/PPIAF document). The time taken to fetch water at the standpipes is a good measure of accessibility.

The customer is asked to evaluate each statement in terms of their perception and expectation of performance of the organization being measured. Their satisfaction is generally measured on a five-point scale

Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied
1	2	3	4	5

Source (www.business.net)

"Regardless of the scale used, the objective is to measure customers' perceived satisfaction with their experience of a firm's offerings. It is essential for firms to effectively manage customer satisfaction. To be able to do this, we need accurate measurement of satisfaction.

2.2.6 Customer Loyalty

The attitudinal definition of loyalty implies that loyalty is a state of mind. By this definition, a customer is "loyal" to a brand or a company if he or she has a positive, preferential attitude towards it. They like the company, its products or its brands, and they therefore prefer to buy from it, rather than from the company's competitors (Lewis 2009). In purely economic terms, the attitudinal definition of customer loyalty would mean that someone who is willing to pay a premium for Brand A over Brand B, even when the products they represent are virtually equivalent, is "loyal" to Brand A (Khezer 2005). But the emphasis is on "willingness," rather than on actual behavior, per se. In terms of attitudes, then, increasing a customer's loyalty is virtually equivalent to increasing the

customer's preference for the brand. It is closely tied to customer satisfaction, and any company wanting to increase loyalty, in attitudinal terms, will concentrate on improving its product, its image, or other elements of the customer experience, relative to its competitors (Burton 2005).

The behavioral definition of loyalty, on the other hand, relies on a customer's actual conduct, regardless of the attitudes or preferences that underlie that conduct (Fitts 2002). By this definition, a customer is "loyal" to a company if they buy from it and then continue to buy from it. Loyalty is concerned with re-purchase activity, regardless of any internally held attitudes or preferences. In the behavioral definition, loyalty is not the cause, but the result of brand preference. A company wanting to increase customer loyalty will focus on whatever tactics will in fact increase the amount of repurchase behavior - tactics that can easily include, without being limited to, improving brand preference, product quality, or customer satisfaction.

2.2.7 Customer Decision Making Process

Laudon et al (2003), stated that the stages of the consumer decision process are basically the same whether online or offline. However, the point is that in order to influence the customer's decision-making process, the planner of B2C marketing needs to consider a web-purchasing decision making process, which is quite similar to the traditional model, but not exactly the same.

1. Problem Awareness: During problem awareness, the consumer recognizes that the good, service, organization, person, place, or idea may solve a problem of shortage or unfulfilled

desire. Many consumers are hesitant to react to unfulfilled desires because there are risks and the benefits may be hard to judge.

2. Information Search: Information search involves listing alternatives that will solve the problem at hand and a determination of the characteristics of each. Search can be internal and/or external .As risk increases; the amount of information sought also increases. Once the information search is completed, it must be determined whether the shortage or unfulfilled desire can be satisfied by any alternative.

3. Evaluation of Alternatives: The alternatives are evaluated on the basis of the consumer's criteria and the relative importance of these criteria. They are then ranked and a choice made.

4. Purchase - The purchase act involves the exchange of money or a promise to pay for a product, or support in return of ownership of a specific good, the performance of a specific service, and so on. Purchase decisions remaining at this stage center on the place of purchase.

5. Post-Purchase Behavior: Frequently, the consumer engages in post-purchase behavior. Buying one item may lead to the purchase of another. Re-evaluation of the purchase occurs when the consumer rates the alternative selected against performance standards. Cognitive dissonance, doubt that a correct purchase decision has been made, can be reduced by follow-up calls, extended warranties, and post-purchase advertisements.



2.3 Measuring the Performance of Water Services

According to Gupta (2006), performance measurement can be defined as an approach to determine how effectively and efficiently a local body delivers the required service. According to him, there are two methods of measuring the performance of a system, one is the average analysis or simple ratio measures and the other one which takes into account all the inputs used and outputs produced by the utilities called total factor productivity measures. The total factor productivity measures are based on either regression analysis (RA) or Data Envelopment Analysis (DEA) technique.

WSP (2006) developed some performance indicators using ratio methods to measure the efficiency of water supply systems. The indicators chosen were investment, financial,

billing and collection, quality, costs and staffing, metering, unaccounted for water (UFW), production/consumption, coverage etc. (Kumar, and Sarangi, 2006).

UFW is basically the difference between the quantity of water produced and put into the system and quantity consumed or paid by consumers. It comprises of water losses due to leakage, illegal connection and unbilled authorized consumption like water used for cleaning reservoirs and flushing the network system, fire-fighting and water provided free to certain consumer groups and sensitive institutions (e.g. hospitals, schools, etc (Bernard and Eugene, 2006)

2.3.1 Customer Service Theories

The theory of customer service and satisfaction is about retaining customers. Loyalty remains the key element. It is by nature an intensely practical theory. Without a firm grasp on the basic principles of customer service, a firm cannot survive. Few want to do business with a firm that cares little about customers, their comfort and concerns (Johnson 2012)

Kamin (2012) holds that the basic structure of customer satisfaction is that the basics are seen first: the environment or the availability of help. These are the first impressions that can color the remainder of the experience. But once those variables are taken care of, the customer then worries about more specific things such as the reliability of the staff, price, friendliness and the possibility of maintenance after the purchase. The customer experience, therefore, goes from most general to most specific.

2.3.2 Service logic versus goods logic

Korkman (2006) discusses a service logic based on the impact of services on the consumption process as a practice. According to practice theory, consumption can be understood as a practice – a person's daily activities – and as a consumer this person becomes a carrier of practices. If allowed, a service provider can join a person's practice in a supporting manner (Shove and Pantzar, 2005). Drawing on practice theory Korkman (2006) suggests that one could understand service logic as a way of empowering consumption as a practice so that value emerges for the customer from that practice. According to (Korkman 2006), value is not created; it emerges for the consumer from a well-supported practice.

According to goods logic, goods are resources in customers' sole creation of value. However, according to service logic and due to the firm–customer interactions that occur, the goods components in the service process are part of the service provider's process of co-creating value with the customer. In this case goods are resources in the co-creation of value for customers. In both cases, resources other than goods are needed as well. When consuming goods, customers need at least information about how to use the goods and how to create value with them, and other goods may perhaps also be needed. For example, a piece of meat bought from the butcher is not enough to cook dinner. When services as processes are consumed, goods components in the service process have to be accompanied by other resources as well. In a restaurant, for example, the steak has to be accompanied by other ingredients, as well as by waiters who take the order and serve the meal. Vargo et al(2004) consider goods transmitters of service and 'distribution mechanisms for service provision.

Service-based marketing concepts and models fit such situations better than using models based on goods logic. This conclusion is similar to the one communicated by the service-dominant logic presented by Vargo and Lusch (2004).

2.4 SERVQUAL methodology

Clearly, from a Best Value perspective the measurement of service quality in the service sector should take into account customer expectations of service as well as perceptions of service. However, as Robinson (1999) concludes: "It is apparent that there is little consensus of opinion and much disagreement about how to measure service quality". One service quality measurement model that has been extensively applied is the SERVQUAL model developed by Parasuraman et al. (1985, 1986, 1988, 1991, 1993, 1994; Zeithaml et al., 1990). SERVQUAL as the most often used approach for measuring service quality has been to compare customers' expectations before a service encounter and their perceptions of the actual service delivered (Gronroos, 1982; Lewis and Booms, 1983; Parasuraman et al., 1985). The SERVQUAL instrument has been the predominant method used to measure consumers' perceptions of service quality. It has five generic dimensions or factors and are stated as follows (van Iwaarden et al., 2003):

- (1) Tangibles: Physical facilities, equipment and appearance of personnel.
- (2) Reliability: Ability to perform the promised service dependably and accurately.
- (3) Responsiveness: Willingness to help customers and provide prompt service.
- (4) Assurance (including competence, courtesy, credibility and security):
 Knowledge and courtesy of employees and their ability to inspire trust and confidence.

- (5) Empathy (including access, communication, understanding the customer): Caring and individualized attention that the firm provides to its customers.

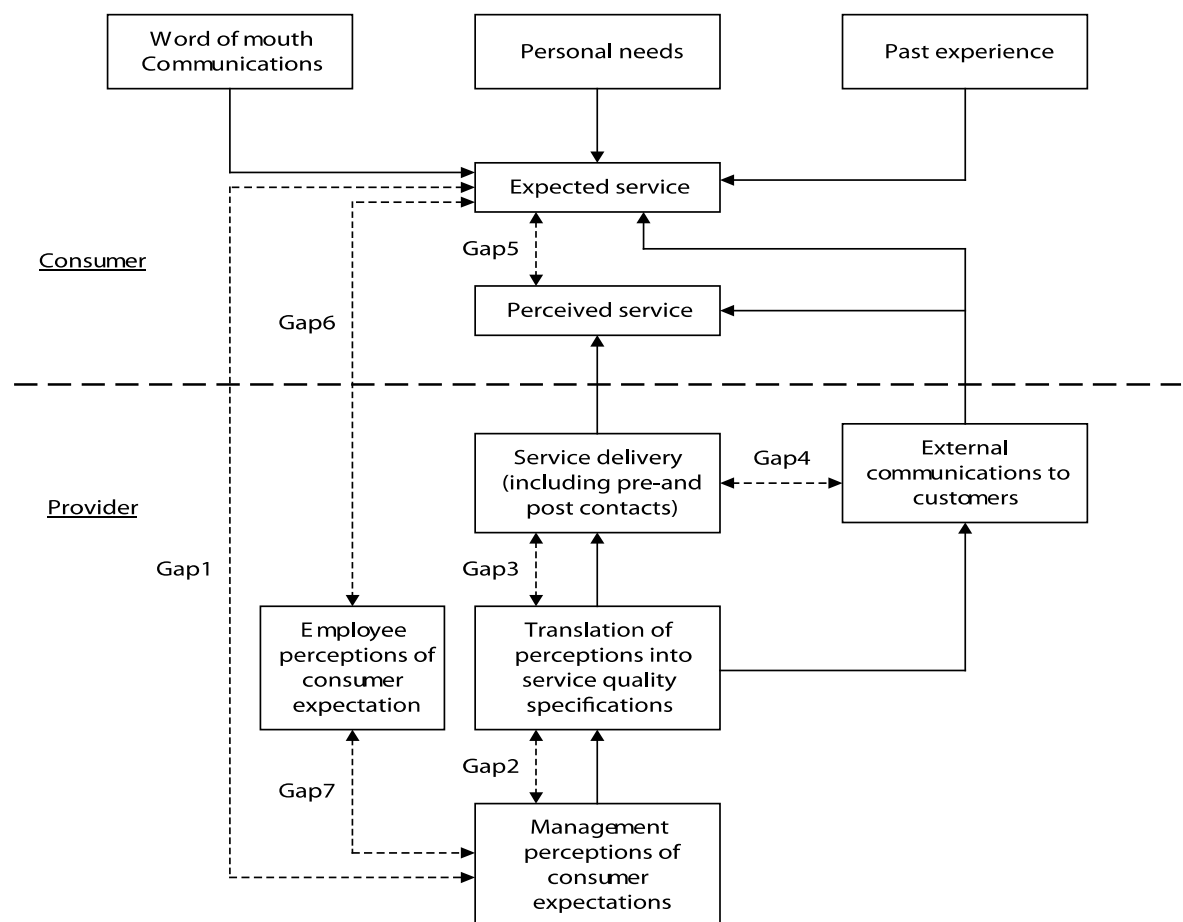
2.5 Service and Communication

Communication strategy is one of the key components of the service marketing mix (Hoffman and Bateson 2002). A communication strategy is developed to create consumer awareness and position the firm's service offering in consumer's evoked set of alternatives. The service offering may be communicated either through non-personal sources such as television or print media or through face-to-face and personal sources. The advantage of using personal sources is that communication is two-way and immediate feedback is available. The value of communication is an integral part of the perceived service value by consumers in any interaction with the company, both personal and media-based (Heinonen and Strandvik 2005).

It is commonly known that employees' display of affective characteristics, such as friendliness, responsiveness, and enthusiasm, positively influence customers' overall evaluation of service consumption experiences and perceptions of service quality. Further, we are aware that employees' verbal behaviour during an encounter (such as words of greeting and courtesy) affect customer perceptions of employee friendliness and consequently enhance the perceived quality of the service interaction (Elizur 1987). However, what is relatively unclear is the nature of the effect of service employees' actions, particularly their nonverbal behaviour on customers' perceptions of service employees' characteristics (such as their friendliness, competence, and credibility). This lack of clarity is unfortunate because research in the communication field reveals that the non-verbal

components are at least as important (if not more) as the verbal components of interpersonal communication in shaping the outcome of employee-customer interactions (Burgoon et al. 1990). In fact, nearly half of the variations in response to interpersonal communication can be attributed to nonverbal factors (Mehrabian 1981). It is even suggested that non-verbal communication, the form of communicating thoughts and emotions without using words, accounts for nearly 70 per cent of all communication.

Figure 1: Model of service quality gaps (Parasuraman et al., 1985; Curry, 1999; Luk and Layton, 2002)



CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter explains the methods or approaches used in carrying out the research, the tools used in collecting data, the sample and sampling techniques used, study population and data analysis. The chapter also features the brief profile of the case of study.

3.2 Research Design

The research design is a general plan of how the researcher intends to answer his/her research questions. Saunders *et al.* (2009) explained that there are three methods often used for classification of research purposes. These are: Exploratory study, descriptive study and explanatory study.

Exploratory study is concerned with finding out what is happening, seeking new insights and assessing phenomena in a new light. Descriptive research is carried out to show an accurate profile of persons, events or situations. Explanatory research establishes the causal-relationships between different variables. In his own view, Kritsonis (2009) posits that a structured way to classify a research is to first determine if it is a quantitative or qualitative study. Thereafter, you identify the purpose of the study whether it is descriptive, correlational, causal-comparative or experimental in nature. He defines quantitative study as a method that involves the collection and analysis of numerical data that is obtained from test, questionnaires, checklist, and surveys.

Important features of quantitative research are: defining the problem or questions to be studied and developing a hypotheses that predicts the results of the research before the study begins; controlling contextual factors that might influence the results of the study; collecting data from samples of participants; and using numerical, statistical approaches to analyze the collected data. While qualitative study involves the collection and analysis of primarily non-numerical data obtained from observation, interviews, taped information, and documents.

This research is explanatory in nature and the positivistic research method will be adopted using questionnaire to elicit information. Questionnaire was chosen as a data collection instrument because the study involves the assessment of customer perception towards utility case study, Ghana Water Company limited, Kumasi south-east district. An important assumption that underlines the quantitative approach is that the world that we live and carry out our research in, is relatively stable, uniform, and coherent; therefore, it can be measured, understood, and classified (Kritsonis, 2009).

3.3 Sources of Data

In order to meet the objective of the study, the researcher used empirical data from various sources (both primary and secondary sources). Primary data was collected from respondents by using questionnaires which were sent to the customers and staff of the banks. The secondary data was gathered from journals, newspapers and other textbooks. Semi-structure interviews with marketing and business developing department in the institution served to confirm the findings of the statistical analysis, thus facilitating internal validation of the data.

3.4 Population and Sample Frame

In conducting researches, the term population refers to the total set of cases or elements from which a sample can be taken from; while a sample frame is a complete list of all cases in the population from which the sample was drawn. Saunders et al.2009, suggested that in drawing up a suitable sample frame, the following should act as a checklist.

-) Are cases listed in the sample frame relevant to the research topic ?
-) Is the sample frame complete ?
-) Does the sample frame contain the correct information ?
-) Is the sample frame up-to-date ?

The population consists of staff and customers in and around Kaasi, Ahodwo, Daban-Sokoban stretch who constitute customers in the district, totaling one thousand five hundred (1500) houses (in the books of the Ghana Water company limited).

3.5 Sample Size

The need to sample or choose a sample size would arise for various reasons as stated by Saunders *et al.* (2009). These are when; it becomes practically impossible to survey the entire population, budget constraints prevents one from surveying the entire population, time is a constraint, results are needed quickly despite all the data are gotten. The choice of a sample size is based on the research questions and objectives, geographical area over which the population is spread, and nature of sample frame.

Since it became practically impossible to survey the entire population, budget constraints prevents one from surveying the entire population, (150) questionnaires each were be sent

to the two institutions based on availability and convenience. Respondents who were selected randomly, met the expected demand, deemed usable (valid and completed), thereby yielding a response rate of about 10 percent.

An estimation of the daily average of the customer population for the rate of patronage was used. This was used because it was quantifiable. In calculating for the respondents, the following formula was used to reach a total sample size:

$$N^a = \frac{n \times 100}{re\%}$$

Where: N^a = actual sample size, n = estimated daily average and $re\%$ estimated response rate expressed as a percentage.

3.6 Sampling Technique

Sampling techniques provides a range of methods that enables you to reduce the amount of data you need to collect, by considering only data from a sub-group rather than all possible cases or element (Saunders *et al.* 2009). The sampling techniques available can be divided into two types, namely; probability and non-probability sampling. Probability sampling is a sampling design that gives every case of the population an equal chance of inclusion in the sample, while non-probability sampling is the sampling procedure which does not afford any basis for estimating the probability that each case in the population would be included in the sample (Kothari, 2004).

Purposive type of non-probability sampling technique was used for this study because the cases to be selected for the sample size need to be well informed about the Water company.

Purposive technique is also known as judgmental sampling and it enables the researcher to use his judgement to select cases that will best enable him answer the research questions and to meet the research objectives (Neuman, 2005 as cited in Saunders *et al.* 2009).

3.7 Data Collection Instrument

This study is quantitative in nature; therefore, questionnaire was used as an instrument for collection of the primary data required. The term questionnaire is a type of primary data collection technique whereby each case or person is asked to respond to the same set of questions in a predetermined pattern (deVaus, 2002 as cited in Saunders *et al.* 2009). Certain measures ought to be taken into consideration when constructing the questionnaire (Kothari, 2004).

This includes; the general form (structured or unstructured), question sequence, question formulation and wording. He stated further that for a questionnaire to be termed good, it should be kept comparatively short and simple, avoidance of technical terms and vague expressions capable of indicating different interpretation, and it should possess attractive appearance. Bearing in mind the important issues discovered in the literature review, the questionnaire for this study was designed to suit the research questions and subsequently meet the research objectives. It combines the open and closed-ended type of questions to allow for flexibility and contribution of the professionals in the industry.

The SERVQUAL models, made up of five generic dimensions, namely tangibles, reliability, responsiveness, assurance, and empathy were analyzed quantitatively against customer perception. The need for a quantitative analysis in this study was to present measurable variables for examination in order to establish a relationship and report.

3.7.1 Questionnaires

Self-administered questionnaires were distributed and collected over a ten-day period by hand to respondents from the selected customers. Separate questionnaires were prepared for non-management and customers. The questionnaire for customers was an adaptation of the SERVQUAL instrument developed by Parasuraman, Zeithaml and Berry for customers. The 5 point Likert scale where 1 = strongly agree and 5 = uncertain, along with opened and closed ended questionnaire was developed for non-management.

The five dimensions and their respective statements in the SERVQUAL questionnaire were as follows:

- Tangibles-statements 6-10: Attractiveness of facilities, conditions of equipment and appearance of personnel;
- Reliability-statements 11-15: Ability to perform the promised service dependably and accurately;
- Responsiveness-statements 16-19: Willingness to help customers and provide prompt service;
- Assurance-statements 20-23: Knowledge and courtesy of employees and their ability to inspire trust and confidence; and
- Empathy-statements 24-27: Caring, individualised attention that the organisation provides its customers.

3.8 Pilot Testing

Before administering the questionnaires, Kothari (2004) advised that it is important to conduct a preliminary or pilot testing. This testing would help to bring to light the loopholes (if any) of the questionnaire. Pilot testing was carried out by giving the questionnaire to fifteen professional in the water industry to fill out. This is done to ascertain the ease with which the questions are understood, the time it took to complete, and to identify any weakness inherent in the questionnaire.

3.9 Data Analysis

The data collected was edited, coded and analysed with an SPSS programme. Descriptive analysis, frequency table, charts, cross tabulations and graph were used to make relative comparison.. Reliability coefficients of the SERVQUAL were tested. All the variables used in this analysis were checked for any discrepancies by examining their frequency distribution.

3.10 Brief Profile of Ghana Water Company Ltd

The first public water supply system in Ghana, then Gold Coast, was established in Accra just before World War 1. Extensions were made exclusively to other urban areas among them the colonial capital of Cape Coast, Winneba and Kumasi in the 1920s.

During this period, the water supply systems were managed by the Hydraulic Division of Public Works Department. With time the responsibilities of the Hydraulic Division were widened to include the planning and development of water supply systems in other parts of the country.

In 1948, the Department of Rural Water Development was established to engage in the development and management of rural water supply through the drilling of bore holes and construction of wells for rural communities. After Ghana's independence in 1957, a Water Supply Division, with headquarters in Kumasi was set up under the Ministry of Works and Housing with responsibilities for both urban and rural water supplies.

CHAPTER FOUR

ANALYSIS, FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter highlights the detailed analysis of the responses from the key informants to the various questions posed in the questionnaires. This will form the basis to make deductions from their answers and in-depth insight into the topic under study and thus be able to draw useful conclusions and provide implementable recommendations. In view of this, the chapter highlights the demographic data of the respondents to the study; analysis and discussion on issues raised in response to the administered questionnaires.

4.2 Sample and Response Rate from Respondents

The study used a sample size of one hundred and fifty (150) respondents in the study area. These were drawn from the subject of study which is the assessment of customer perception towards utility, case study of Ghana Water Company limited, Kumasi south-east district. Table 4.1 depicts the response rate from the selected category of respondents.

Table 4.1 Sample and Response rate

Respondents	Sample size	Number of responses	Response rate
Staff(GWC)	35	35	100.0%
Customers(GWC)	115	107	94.0%
Total	150	142	194%

Source: Author's field Study, 2015

4.3 Demographic Characteristics of Respondents

This chapter examines the age, gender, nationality, and occupation of the respondents under research. The overall total respondent's response rate was 150. Out of this, 115 were customers and 35 were staff and management of the case under study.

4.3.1 Demographic characteristics of customers

From Table 3 below, the data collected show a male population of 75 representing 70.1%, which was more than the female respondents who were 32 representing 35.8%.

Respondents between the ages of 18-30 years were the highest response of 18 representing 17.8% as can be seen from table 3 (below) followed by 30-39 years, which was 50.1%. 40 - 59 respondents representing 28.0% and 4.1% were for the ages between 46-60 years and 60 years and over respectively. The table clearly shows that, there is a future for the company study since most of its customers fall within the "Adult" ages of 30-59yrs.

Table 3: Demographic Characteristics of Customers

Characteristics of respondents (N=107)			
Gender		N	%
	Male	75	70.1
	Female	32	35.8
Age group (years)			
	18-29	19	17.8
	30-39	54	50.1
	40-59	30	28.0
	60 and above	4	4.1
Occupation			
	Professional Qualified	30	28.0
	Government Worker	47	43.9
	Businessmen	22	20.6
	Unemployed	5	4.7
	Students	3	2.8
Nationality			
	Ghanaian	88	82.0
	British	5	4.7
	American	4	2.5
	South African	3	2.8
	Chinese	1	1.6
	Nigerian	4	4.1
	Others	2	2.0

Source: Author's field Study, 2015

A total of 47 respondents were represented, 43.9%, the highest percentage, were government workers with 29.4% professional qualified who can be separated into various classifications as civil servants or other professions (lawyers, bankers, accountants, lecturers, surveyors, doctors etc.). It could be suggested that reflecting on the status of the company under study; they are popular among this category of people whom they serve.

It can also be seen from the table that 121 of the respondents representing 82.0% were Ghanaians with the remaining 18.0% representing other nationals such as American and

British. This could simply be due to the location of the company encouraging Ghanaians to be the higher patrons.

4.3.2 Demographic Characteristics of Employees

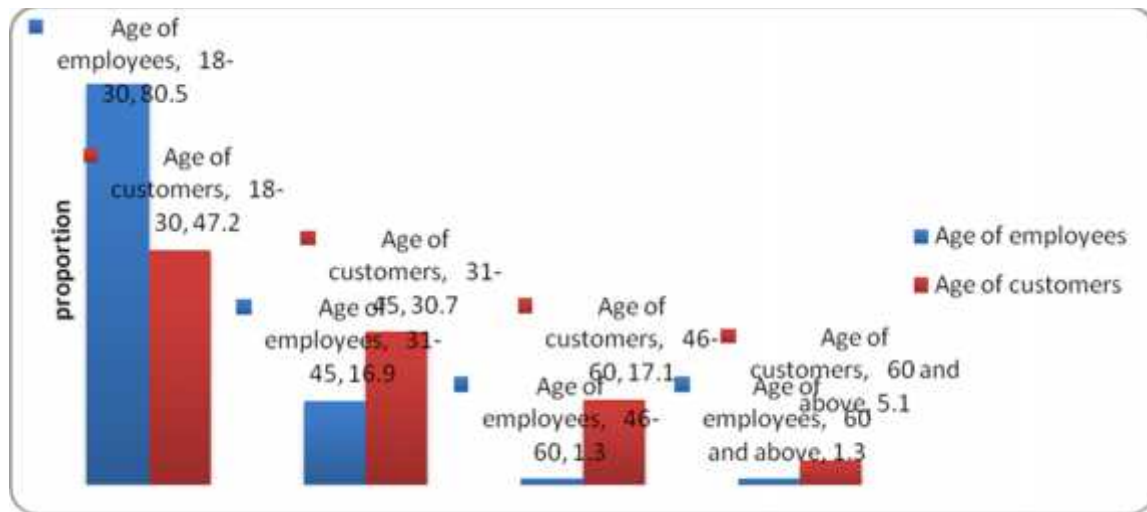
Table 4: Employees Demographic

Characteristics employees (N=35)			
Gender		N	%
	Male	25	71.4
	Female	10	28.6
Age group (years)			
	18-30	15	42.9
	31-45	12	34.3
	46-40	7	20.0
	60 and above	1	2.8

Source: Author's field Study

From the above table, 25 representing 71.4% form the male section of the population of employees with 10 respondents denoting 28.6% who are female employees. For the age grouping, 15 of the respondents representing 42.9% were within the ages of 18-30 and had the highest numbered. The attributions to this could be that since print firms are labour intensive, employing younger people who are likely to serve longer terms on the job is more prudent. Figure 1 (below) shows a cross tabulation of the age distribution of customers and employees.

Figure 2: Age distribution of Customers and Employees



Source: Author's field Study, 2015

From the figure above, the 18-30 years age group category of the customers have the highest respondents. Assumptions made are based on the fact that, there is a future for the Company since the majority of the respondents are in their youthful years.

4.3.3 Departments of Employees in GWCL

Table 4.4: Departments of Employees

Characteristics employees (N=35)			
Department	N	%	
Sales/Marketing	5	14.3	
Works	10	28.6	
Meter reading	7	20.0	
Taskforce	3	8.6	
Operations	2	5.7	
Accounts/stores	2	5.7	
Maintenance/Transport	6	17.1	

Source: Author's field Study, 2015

There are various departments in the company and from the table 4.4 above, 10 staff representing 28.6% were works staff being the highest and 7 representing 20.0% following up to be the second highest. The taskforce department also had 3 staff representing 8.60%.

4.3 Customer service complains used by GWCL

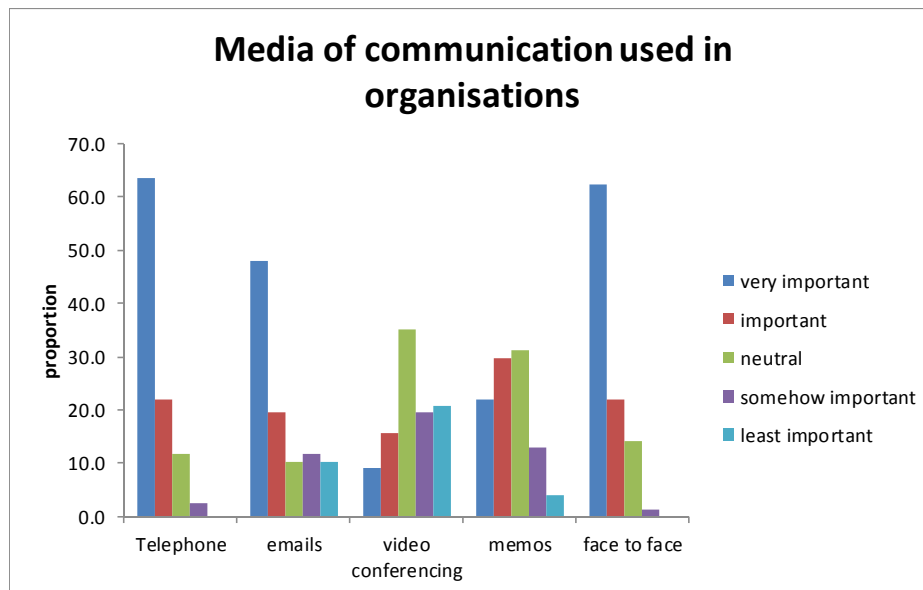
Figure 4 (below) illustrates the channels of communication practices adopted in the company. From the table below, telephone/ fax had the highest of 87.7% respondents. Face-to-face had the second highest of 84.4%. From the figure below, telephones/ fax is the most frequently and importantly used medium according to employees. Inferences drawn could be associated with the fact that they are handy and with modern technology such as intercom and cellular phones, they are easier to reach its intended group.

Face-to-face communication could be associated to the fact that they allow for an open communication and it is important in the daily, emergency and forth nightly meetings as well as in the annual staff durbar which allows staff to express their views and concern.

Internet/ E-mails had 67.6% are also used because considering the star ratings of the print firms and the type of people who patronise the place, internet/e-mails are also important.

Radio was the least medium used and this can be attributed to the expensiveness of it and also since not all staff do computer related works.

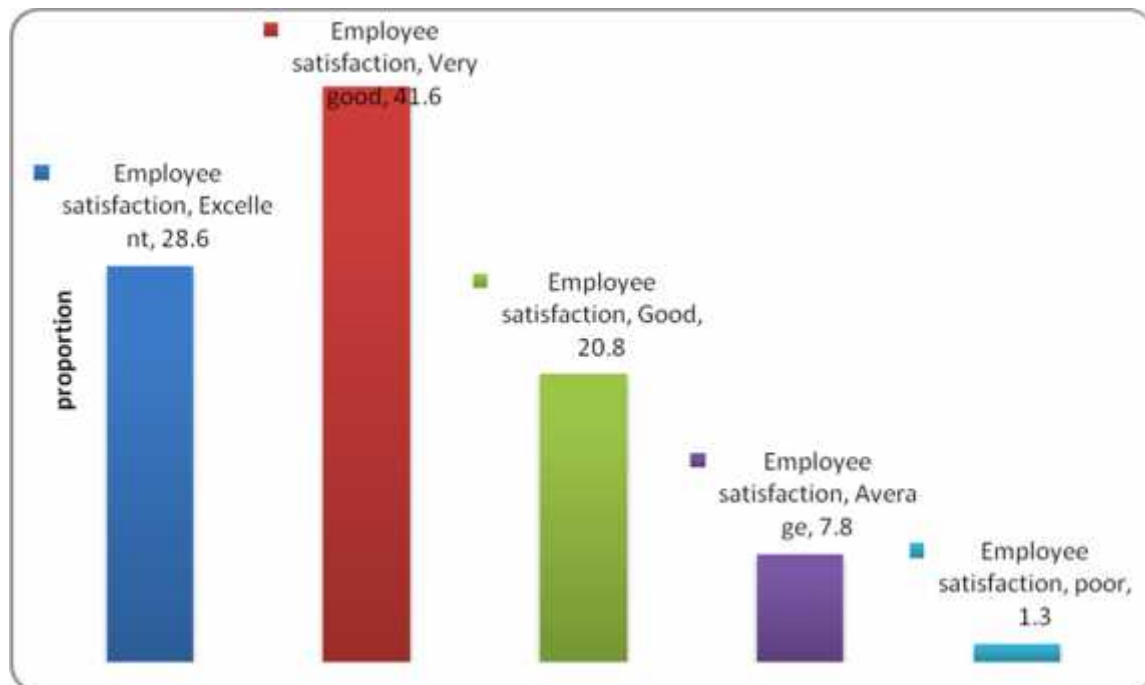
FIGURE 3: Communication Practices



Source: Author's field Study, 2015

In an interview with some management of the company, they all adopt the two way and 'hybrid' form of communication. The hybrid communication is the use of both technology and manual form of communication. This is the use of the internet/telephone and face-to-face. Management communicates among themselves with internets but to employees with telephones and by face-to face. This is because not all employees do computer related works and therefore have no access to computers.

Figure 4: Employee perception and Satisfaction of service Effectiveness



Source: Author's field Study, 2015

From the figure above, the overall satisfaction level of the effectiveness of service is very good which is represented by 91% of the graph which ranges from excellent to good as can be seen from figure 3. This means that, the majority of the respondents are satisfied with the service and communication channels hence its effectiveness.

4.4 Evaluating Service Quality with the SERVQUAL Model

4.4.1 Reliability Results of the SERVQUAL Model

Alpha coefficient values according to Van der Walet. al., (2002) can range between 0 and 1.0 and this is an indication of the alpha coefficient scores for each component of service quality. Gliem and Gliem, (2003) stated that alpha coefficient values are used to show why single-item questions pertaining to a construct are not reliable and should not be used in

drawing conclusions but rather multi-item scales are more reliable. Higher values indicate higher reliability among the indicators; hence 1 is the highest value that can be achieved.

A 5-point Likert scale similar to that used by Parasuraman *et al.* (1988) was used in measuring all items. From the study of table 5, the results illustrates that the total scale for this study is 0.88. This is closer to 1.0, which is the highest value to be achieved. The reliability of the SERVQUAL model therefore for this study is significant.

Table 4.5: Reliability coefficient (alpha)

Dimensions	No. of Items	Alpha coefficients for dimensions	Item
Tangibles	5	0.79	Q. 6 Q. 7 Q. 8 Q. 9 Q. 10
Reliability	5	0.88	Q. 11 Q. 12 Q.13 Q. 14 Q. 15
Responsiveness	4	0.85	Q. 16 Q. 17 Q.18 Q.19

Assurance	4	0.37	Q. 20 Q. 21 Q. 22 Q.23
Empathy	4	0.82	Q.24 Q. 25 Q. 26 Q. 27

Source: Author's Field Study, 2015

4.5 Customers Satisfaction of Service Quality Dimensions

Table 4.6 below illustrates customers' satisfaction on service quality dimension in the selected print firms.

Table 4.6: Mean Satisfaction of Customers

Dimension	No. of Items	Mean Value
Tangibles	5	4.49
Q.6		4.52
Q.7		4.48
Q.8		4.60
Q.9		4.34
Q.10		4.51
Reliability	5	4.01
Q.11		4.09
Q.12		4.05
Q.13		4.06
Q. 14		3.96
Q.15		3.90
Responsiveness	4	4.03
Q. 16		4. 06

Q. 17		3.99
Q. 18		4.07
Q. 19		3.98
Assurance	4	4.33
Q. 20		4.72
Q. 21		4.25
Q. 22		4.21
Q. 23		4.12
Empathy	4	3.91
Q. 24		4.07
Q. 25		3.76
Q. 26		3.91
Q. 27		3.90

Source: Author's Field study, 2015

4.5.1 Satisfaction level of Tangibles:

With a mean score value of 4.49, tangibles had the highest satisfaction of all the SERVQUAL dimensions. Staffs present a neat and a professional appearance had the highest mean score of 4.60 (Q. 8). However, the materials and written communications (Q. 9) of the company had the least mean score of 4.34. This indicates that, swift work response of the company should be made visually appealing to keep up their professional appearance.

4.5.2 Satisfaction Level of Reliability

Reliability had the fourth highest score among the dimensions with (Q. 11) which is service performed and received first time right and up to industry standard having the highest mean score of 4.09. Where an action or result promised within a certain time had the least mean score of 3.90 (Q. 15). This signifies that, staffs perform to the expectation of their star

rating which pays off but management should ensure that a promised action should be delivered on time and customers be updated on its progress if there is a delay and as such cannot be acted on within the time frame.

4.5.3 Satisfaction Level of Responsiveness

With the overall third highest of 4.03 from table 8 (above), Services provided at all times needed (Q. 18) had the highest mean score of 4.07 and whereas customers abreast of changes (Q. 19) had a least mean score of 3.98. Inferences from this shows that, all the services provided at the print firms are necessary and needed and thus should be maintained and the flow of service (water) between the company and its customers be strengthened to avoid confusion and chaos. This is to say that, customers should be made aware of changes in policies in the company.

4.5.4 Satisfaction Level of Assurance

The satisfaction level of assurance had the overall second highest of 4.33 in table 6 with secured and safety company premises (Q. 20), having the highest of 4.72 among the group. The least score among the group was Q. 23 i.e. whether queries being answered satisfactorily by staff had the least score of 4.12. The safety of the premises is an added advantage to the company since its customers feel safe and secured on the premises, however there should be quarterly employee training for staffs for them to be able to address and satisfy customers queries as according to Lafferty *et al.* 2002 “Possession of the required knowledge and skills to provide the service is critical to the success of any service supplier”.

4.5.5 Satisfaction level of Empathy

Empathy among the SERVQUAL dimensions had the least mean score of 3.91. Customers receiving individual attention had the highest score of 4.07 in this category (Q. 24) whereas whether staff and management address customers by name had the least mean score of 3.90. Customers always want to feel at home wherever they find themselves and to achieve this management and staff should with politeness coupled with respect learn to address customers by their names to build a cordial rapport. (Please refer to table 8 above).

4.6 Customers' Satisfaction Level of the SERVQUAL

Table 4.7: Customers' Satisfaction of SERVQUAL

Dimensions	Mean Value
Tangibles	4.49
Reliability	4.01
Responsiveness	4.03
Assurance	4.33
Empathy	3.91

Source: Author's Field study

Inferences drawn from the customer's satisfaction level with regards to the SERVQUAL model indicate that "Tangibles" from table 4.7 had the highest mean score of 4.49 and the most important. From the study, "Tangibles" of the print firms such as attractiveness of facilities, technology accessibility, professional appearance of staff and good working facilities lure in customers and as such should be maintained. Tangibles was followed by

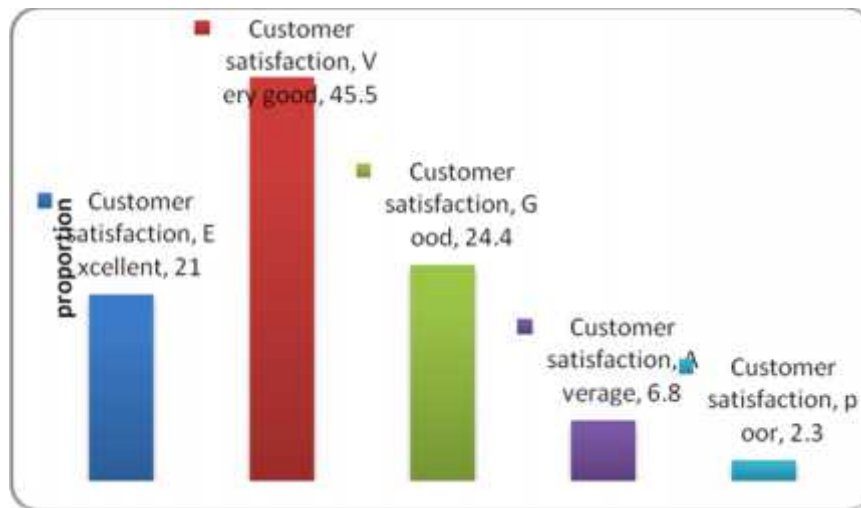
Assurance, Responsiveness and Reliability whiles “Empathy” had the least score of 3.91 in the order of importance.

The study however shows that the satisfaction level of “Empathy” is yet to be satisfied by the management and staffs of the print firms since this dimension scored the least in the satisfaction level of service quality. This signifies that management and staffs should make the conscious effort to improve on this dimension by giving customers individual attention and quick service, addressing customers by names, understanding and meeting customers’ needs and management being easily accessible.

4.6.1 Overall Satisfaction of Service Quality

Customer satisfaction of the overall service quality of the GWCL under study is shown in figure 6 (below). From the figure below, there is a positive affirmation of customer’s satisfaction. This is because the majority of the respondent’s response of about 91% ranges between excellent and good. This can be attributed to the fact that, the SERVQUAL dimension has a positive influence and an impact on the service quality.

FIGURE 5: Customer perception of service quality



Source: Author's field Study, 2015

4.7 Effect of Perception on Customer Satisfaction

Table 4.7: Regression of Perception on Customer Satisfaction

Variables	Regression coefficient	95% Confidence interval	P Value
Time for correction	0.13	(-0.13, 0.39)	0.33
Cost	0.16	(0.02,, 0.31)	0.03
Taste	0.11	(-0.10, 0.29)	0.18
Accessibility	0.13	(-0.06, 0.31)	0.18
Repairs	0.30	(0.04, 0.56)	0.02

Dependent variable: Customer Satisfaction

Author's Field Study. 2015

Univariate multi linear regression analysis was carried out to know the perception of customer satisfaction. Time to correct defects and cost variables that were significantly associated with customer satisfaction.

From table 4.8 (above), Time for correction had the greater impact on customer satisfaction because a 1-unit increase of Time for correction communication is an expected increase in customer satisfaction by 0.30. This is because Time for correction is more effective than cost or accessibility. Because it bothers health issues cues such as facial expressions, body language and hand gestures, it helps the recipient get the import of the message been transmitted and also immediately ask questions if any exist. Likewise a unit increase of Accessibility is an expected increase in customer satisfaction by 0.16.

4.7.1 Customer perception on communication practices adopted by the GWCL

Table 11: Regression on perception on communication practices

Variables	Regression coefficient	95% Confidence Interval	P Value
Water Company			
Time for correction	0.20	(-0.10, 1.16)	0.67
Cost	4.0	(3.32, 4.68)	<0.001
Taste	0.39	(-54, 1.32)	0.70
Accessibility	0.40	(-0.54, 1.35)	0.38
Repairs	1.17	(-0.05, 2.38)	0.05

Dependent variable: Customer perception

Source: Author's Field Study 2015

From the sub-group analysis that was done for GWCL, a multi linear regression model was fitted on perception against customer satisfaction variables adopted in the company. Taste was one of the variables that was found to be significantly associated with customer satisfaction with a 95% confidence interval 3.32, 4.68 and p-value <0.001 in GWCL. Similarly, time was also associated with customer satisfaction in Water company 95% confidence interval -0.05, 2.38 with a p-value=0.05. This means that, a unit increases in accessibility and taste in the Company is an expected increase in customer satisfaction.

CHAPTER FIVE

SUMMARY FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

Summary findings, along with other general concluding topics on the basis of this research are the focus of this chapter. For management, other stakeholders, and additionally the Ghana Water Company as whole, recommendations have been drawn.

5.2 Summary Findings

5.2.1 Demographic Characteristics of Customers

A total of 47 respondents were represented, 43.9%, the highest percentage, were government workers with 29.4% professional qualified who can be separated into various classifications as civil servants or other professions (lawyers, bankers, accountants, lecturers, surveyors, doctors etc.). It could be suggested that reflecting on the status of the company under study; they are popular among this category of people whom they serve.

It can also be seen from the table that 121 of the respondents representing 82.0% were Ghanaians with the remaining 18.0% representing other nationals such as American and British. This could simply be due to the location of the company encouraging Ghanaians to be the higher patrons.

5.2.2 Examining the quality of service using the SERVQUAL model.

The results of the study indicate that the SERVQUAL dimensions are important and reliable in the service quality delivery of the GWCL.

- The result of the study shows that, the overall satisfaction level of customer's ratings of the Service Quality dimensions is favourable. This was because "Tangibles" was the most satisfying with Assurance, Responsiveness, Reliability and Empathy following in descending order of satisfaction.

5.2.3 The effect of perception on service delivery of GWCL

- The multi linear regression analysis carried out on the effects of perception variables against customer satisfaction from this study state in certainty that service largely affects customer satisfaction. This is based on the fact that sometimes flow of service will cease without any prior notice or communication variables were appreciably linked to customer satisfaction.

5.3 Conclusion

In conclusion, it can be deduced on the foregoing and field observations that;

Perception of customers in the GWCL is based on the service delivery, since as observed from the results of the study, the majority of the respondents' responses show somehow positive satisfaction. This was because the flow of service is accurate and reliable, feedback handling is in a timely manner, there is clarity in the service and communication is clearly understood by all. Also, Perception of customers in the GWCL has an effect on the performance of the company since by recommendation; a lot of people believe they are doing their best.

As seen in the evaluation of service quality delivery, the study can be concluded that SERVQUAL is an important and a reliable instrument for the measurement of service quality in the utility industry.

Inferences drawn from the customer's satisfaction level with regards to the SERVQUAL model indicate that "Tangibles" from table 4.7 had the highest mean score of 4.49 and the most important. From the study, "Tangibles" of the print firms such as attractiveness of facilities, technology accessibility, professional appearance of staff and good working facilities lure in customers and as such should be maintained. Tangibles was followed by Assurance, Responsiveness and Reliability whiles "Empathy" had the least score of 3.91 in the order of importance.

The study however shows that the satisfaction level of "Empathy" is yet to be satisfied by the management and staffs of the print firms since this dimension scored the least in the satisfaction level of service quality. This signifies that management and staffs should make the conscious effort to improve on this dimension by giving customers individual attention and quick service, addressing customers by names, understanding and meeting customers' needs and management being easily accessible.

5.4 Recommendations

The "Tangibles" dimensions of the SERVQUAL from the study had the highest mean score value. This was attributed to the satisfaction of customers in line with its "tangibles" (clean water) therefore management of GWCL should make it a point to preserve and improve upon it. It should also be made priority considering the appeal of facilities, good-

working conditions of equipment, staff appearance and professionalism and access to equipment is a strong magnet for its patrons.

The “Empathy” dimensions of the SERVQUAL could be a factor in the mission statements of GWC. This is because, “Empathy” had the least mean score value of customer’s satisfaction level among the SERVQUAL dimensions and so management should make it a point to have quarterly or yearly employee training. This is to enable employees establish a rapport with customers by giving them individual attention whenever they encounter problems, by addressing customers by name, house and other demographic variables, by making them feel comfortable and confident as well as to feel at home since that is what the utility providers seek to achieve. When customers are amply satisfied with service received, by recommendation as observed from the study, more customers will continue to enjoy the services of GWCL.

“Face-to-face” communication must be heightened and as such if possible there should be a quarterly employee training for staff to be able to communicate and relate well with customers. With face-to-face communication, cues such as facial expression, body language and gestures enable one to understand the import of the communication being transmitted.

Management of company should continue the effective water supply system. This can be achieved if they continue to maintain their equipments, receive prompt bill payment from customers, clarity of communication, by growing the bond between management and customers. Also if there is accurate and reliable information flow and feedback is continually handled with a timely approach.

REFERENCES

(Geotimes, 2005) www.agiweb.org/geotimes/mar05/WebExtra032505.htm

Adair J. (1997). “Effective *Communication*”. Pan Books, Basingstoke and Oxford. pp. 10-11. (the first professor of Leadership Studies.)

Anderson, J.C., and J.A. Narus, (1990), '*A Model of Distributor Firm and Working Partnerships*', Journal of Marketing, 54(1), pp. 42-58.

Argenti, P. A. (2007). “Corporate *Communication*”. McGraw-Hill Companies, Inc. pp. 25-28, 226.

Barker, Larry, (1984), Communication, Englewood Cliffs, New Jersey: Prentice Hall, p. 4.

Berman, K. (2006). “*Financial Intelligence*”. Boston: Harvard Business School Press. pp. 152.

Bitner, M.J., (1992), '*Servicescapes: The Impact of Physical Surroundings on Customers and Employees*', Journal of Marketing, 56, pp. 57-71.

Bitner, M.J., (1995), '*Building Service Relationships: It's All About Promises*', Journal of the Academy of Marketing Science, 23(4), pp. 246-51.

Bitner, M.J., B.H. Booms, and M. Stanfield Tetreault, (1990), '*The Service Encounter: Diagnosing Favorable and Unfavorable Incidents*', Journal of Marketing, 54, pp. 71-84.

Brink, A. and Berndt, A. (2005). “*Customer Relationship Management and Customer Service*”, Lansdowne: Juta and Co. Ltd. pp. 36-37.

Brooks, R.F., Lings, I.N. and Botschen, M.A. (1999), "Internal marketing and customer driven wavefronts", *Service Industries Journal*, Vol. 19, No. 4, pp. 49-67.

Brown, S.W., R.P. Fisk, and M.J. Bitner, (1994), '*The Development and Emergence of Services Marketing Thought*', *International Journal of Service Industry Management*, 5(1), pp. 21-48.

Burgoon, J.K., M. Pfau and T. Birk, (1990), '*Nonverbal Behaviors, Persuasion and Credibility*', *Human Communications Research*, 17, pp. 140-69.

Cornelissen J. (2008). "Corporate *Communication*". Second Edition. Sage Publications Ltd. pp. 120.

Czepiel, J.A., (1990), '*Service Encounters and Service Relationships: Implications for Research*', *Journal of Business Research*, 20, pp. 13-21.

Dagger, T.S., and T. Ward, (2007), '*The Complexity of Relationship Marketing for Service Customers*', *Journal of Services Marketing*, 21(4), pp. 281-90.

Elizur, D., (1987), '*Effect of Feedback on Verbal and Non-Verbal Courtesy in a Bank Setting*', *Applied Psychology: An International Review*, 36, pp. 147-56.

Ghanaweb, (2009). www.ghanaweb.com: Business News, www.ghanaweb.com: Business News of Friday, 23 October 2009

Gleick P H (ed.). (1993), *Water in crisis: a guide to the World's freshwater resources*. Oxford University Press, New York, USA.

Gremler, D.D., and K.P. Gwinner, (2000), '*Customer-employee rapport in service relationships*', Journal of Service Research, 3(1), pp. 82-104.

Gronroos, C., (1987), '*Developing the Service Offering: A Source of Competitive Advantage*', in Carol Suprenant (ed.), Add Value to Your Service, Chicago: American Marketing Association, pp. 81-5.

Gronroos, C., (2004), '*The Relationship Marketing Process: Communication, Interaction, Dialogue, Value*', Journal of Business & Industrial Marketing, 19(2), pp. 99-113.

Gummesson, E., (1995), '*Relationship marketing (RM)*', in M.J. Thomas, (ed.), Handbook of Marketing, 4th ed., London: Gower.

Hamilton C. (2008). "*Communicating for Results*". Eighth Edition. Thomson Wadsworth. pp. 33, 34.

Heinonen, K., and T. Strandvik, (2005), '*Communication as an element of service value*', International Journal of Service Industry Management, 16(2), 2005, pp. 186-98.

Hoffman, K.D., and J. Bateson, (2002), Essentials of Services Marketing, Orlando, Florida: Harcourt.

Jones P. (2008). "*Communicating Strategy*". Gower Publishing Company, England. pp. 134.

Kang, G., J. James, and K. Alexandris, (2002), '*Measurement of Internal Service Quality: Application of the SERVQUAL Battery to Internal Service Quality*', Managing Service Quality, 12(5), pp. 278-91.

Lings, I.N., and R.F. Brooks, (1998), *'Implementing and Measuring the Effectiveness of Internal Marketing'*, Journal of Marketing Management, 14, pp. 325-51.

Mehrabian, A., (1981), *Silent Messages*, Belmont, California: Wadsworth.

Morgan, R., and S.D. Hunt, (1994), *'The Commitment Trust Theory of Relationship Marketing'*, Journal of Marketing, 58, July, pp. 20-38.

Klikauer, T. (2007). *"Communication and Management at work"*. Palgrave Macmillan, Hampshire/New York. pp. 2,43, 204,.

Little, S., Quintas, P., Ray, T. (2002). *"Managing Knowledge"*. The Open University/Sage Publications, London, thousand Oaks, New Delhi. p. 43.

Ndubisi, N.O., and K.W. Chan, (2005), *'Factorial and Discriminant Analyses of the Underpinnings of Relationship Marketing and Customer Satisfaction'*, International Journal of Bank Marketing, 23(3), pp. 542-57.

Parasuraman, A., Valarie A. Zeithaml, and Leonard L. Berry, (1985), *'A Conceptual Model of Service Quality and Its Implications for Future Research'*, Journal of Marketing, 49(4), pp. 41-50.

Porter Stephen, Claycomb Cindy 1997. The influence of brand recognition on retail store image. The Journal of Product and Brand Management. Vol 6, Iss 6, pg. 373.

Prah-Jackson, J, (2011), *'The Effect Of Business Communication On Organisational Performance In The Hospitality Industry: A Case Study Of Selected Hotels In Kumasi'*.

Reynoso, J., and B. Moore, (1995), '*Towards the Measurement of Internal Service Quality*', International Journal of Service Industry Management, 6(3), pp. 64-83.

Schein, E.H., (1994), '*The Process of Dialogue: Creating Effective Communication*', The Systems Thinker, 5(5), pp. 1-4.

Putnam, L. L., Pacanowsky, M. E. (1983). "*Communication and Organisations*". Sage Publications, Inc. pp. 13,

Reichheld, F., and E. Sasser, (1990), '*Zero Defections: Quality Comes to Services*', Harvard Business Review, September-October, pp. 105-11.

Schwatz, K. (2006). An assessment of bureaucratic and New Public Management models in the water and sanitation sectors in the low and middle-income countries. PhD thesis UNESCO-IHE.

ShahinA., (2010), '*SERVQUAL and Model of Service Quality Gaps: A Framework for Determining and Prioritizing Critical Factors in Delivering Quality Services*', pp.3-4.

Stewart, R. (1993). "*The Reality of Organisations*".3rdEdition.The Macmillan Press Ltd, Hampshire.pp. 64-65, 156, 159.

Sureshchandar, G.S., C. Rajendran, and R.N. Anantharaman, (2002), '*The relationship between service quality and customer satisfaction.A factor-specific approach*', The Journal of Services Marketing, 16(4), pp. 363-80.

Templar, R. (2005). "*The Rules of Management*". Pearson Education Limited. pp. 189.

U.S. Army. (October 1983). *Military Leadership*. FM 22-100. Washington, DC: U.S.

Verhoef, P., (2003), '*Understanding the Effect of Customer Relationship Management Efforts on Customer Retention and Customer Share Development*', *Journal of Marketing*, 67, October, pp. 30-45.

Wikipedia, (2008). [http://en.wikipedia.org/wiki/Organizational_performance] (12th November, 2010).

Wikstrom, S., and R. Normann, (Eds.), (1994), *Knowledge and Value: A New Perspective on Corporate Transformation*, London: Routledge.

Zeithaml, V.A., L.L. Berry, and A. Parasuraman, (1996), '*The Behavioural Consequences of Service Quality*', *Journal of Marketing*, 60(2), pp. 31-46.

Zemke, Woods 1998. *Best Practices for Customer Service*. Amherst. HRD Press

Zerah, M-H., (2000). Household strategies for coping with unreliable water supplies: the case of Dehli, *Habitat International*, 24: 295-307.

APPENDIX

QUESTIONNAIRES (CUSTOMERS)

Dear Sir/ Madam,

As part of the requirement for the assessment of the Bachelor of Business Administration programme, I am undertaking a research work to ascertain the **customer perception towards utility case study: Ghana Water Company limited, Kumasi** .This work is purely for academic purposes only and the results will in no way be used to endanger the interest of the organisation. Your anonymity and discretion is guaranteed. Please, be kind to respond to the following questions.

Thank You.

SECTION A: Personal Information

1. Gender

i) Male []

ii) Female []

2. Age

i) 18-30 years []

ii) 31-45 years []

iii) 46-60 years []

iv) Over 60 years []

3. Occupation

- i) Professional []
- ii) Government Worker []
- iii) Business man []
- iv) Student []
- v) Unemployed []
- vi) Other (please specify).....

4. Nationality.....

5. Do you have water from GWC in your house?

Yes () No ()

Section B: Perception on Service Quality Information

Please answer the following questions by ticking **ONLY ONE** answer that best fits your response. Using the responses A – E, where A= very dissatisfied, B = dissatisfied, C = Neutral, D = satisfied, and E = very satisfied.

	TANGIBLES	A	B	C	D	E
6.	Are the service attractive, clean and visually appealing such that they are comfortable to use?					
7.	Are the water and facilities provided in good working conditions?					
8.	Does the staff present a neat and professional appearance?					

9.	Are the communication materials of the company visually appealing and easy to understand?					
10.	Is technology accessible and up to date?					
	RELIABILITY					
11.	Is service performed and received right the first time and it is to the standard of the company?					
12.	Is the level of service performed and received the same at all times of the day?					
13.	Are all services and facilities available as promised?					
14.	Is there steadiness in the handling of customers' problems?					
15.	If an action or result is promised within a certain time, does it happen?					
	RESPONSIVENESS					
16.	Do staffs show a readiness to respond to customers' request?					
17	Are customers' needs acted upon whenever?					

18.	Are the services provided at all times needed?					
19.	Are customers' always abreast of changes					
	ASSURANCE					
20.	Do you feel safe and secured on the premises of the service of company?					
21.	Do staffs and management make you feel confident?					
22.	Are the staffs always courteous and friendly?					
23.	Do staff address all your queries satisfactorily?					
	EMPATHY					
24.	Do you always receive individual attention from the staff?					
25.	Do staffs always address you by name?					
26.	Do staffs and management understand your needs and are they able to meet them?					
27.	Is management easily accessible to customers?					

Section C: Customer Satisfaction

28. What is your satisfaction level regarding the overall performance of the service delivery in the company? Please comment below.

GRADE	COMMENTS
Excellent	
Very good	
Good	
Average	
Poor	

QUESTIONNAIRES FOR MANAGEMENT& STAFF

Dear Sir/ Madam,

As part of the requirement for the assessment of the Masters of Business Administration programme, I am undertaking a research work to ascertain the **customer perception towards utility case study: Ghana water company limited, Kumasi** This work is purely for academic purposes only and the results will in no way be used to endanger the interest of the organisation. Your anonymity and discretion is assured. Please, kindly respond to the following questions.

Thank You.

SECTION A: Personal Information

1) Department

2) Gender

iii) Male []

iv) Female []

3) Age

i) 18-30 years []

ii) 31-45 years []

iii) 46-60 years []

iv) Over 60 years []

SECTION B: Service Practices employed in the Organisation

4) Does everyone have access to a computer in your organisation?

i) Yes [] ii) No []

5) If no why? Please provide an answer.

.....

6) Do you have internet access in your organisation?

i) Yes [] ii) No []

7) Can everyone access the internet in your organisation?

i) Yes [] ii) No []

8) Which of the following media of communication is commonly used in your organisation? Please rank them according to order of importance.

	Very important [1]	Important [2]	Neutral [3]	A little important [4]	Least important [5]
Telephones/ fax					
Internet/ Emails					
Radio					
Television					
Face-to-face					

SECTION C: The effectiveness of Business Communication Practices in the Organisation.

9) To what extent do you agree with the following statements with regard to the communication flow on service delivery at the company? (Tick only 1 box per statement).

	Strongly agree [1]	Agree [2]	Strongly disagree [3]	Disagree [4]	Uncertain [5]
The medium of business communication practices at my workplace is clearly understood by all.					
There is a cordial relationship between management and non-management where non-management can express their views to management at my workplace.					
The flow of information at my workplace is accurate and reliable.					

Management handles feedback at my workplace in a timely manner.					
---	--	--	--	--	--

Section D: Employee Satisfaction

10) On a scale of A-E where A = Excellent, B = Very Good, C = Good, D = Average and E = Poor, how will you rate the flow of business communication in your organisation with reference to frequency of complaints/errors?

GRADE	COMMENTS
A	
B	
C	
D	
E	