

**THE IMPACT OF CORPORATE IMAGE AND SERVICE QUALITY ON  
CUSTOMER LOYALTY  
A CASE STUDY OF GHANA TELECOM (KUMASI)**

**BINEY STEPHEN**

**GIFTY FOSUAH MENSAH**

**BOACHIE – YIADOM RICHARD**

**A DISSERTATION SUBMITTED TO THE CHRISTIAN SERVICE UNIVERSITY  
COLLEGE IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE  
AWARD OF BACHELOR OF BUSINESS ADMINISTRATION  
(MARKETING OPTION)**

**JUNE 2013**



## **ABSTRACT**

In order to meet the requirements and standards set by the National Communications Authority (NCA), local telecommunications giants in the industry, especially Ghana Telecom/Vodafone Ghana had prepared its strategies to move forward to compete in the globalized market. Ghana Telecom/Vodafone Ghana has set its target to increase its market share, reduce cost and increase Customer Satisfaction Index (CSI) especially in Ghana Telecom/Vodafone Ghana Service Centre. Thus, this research attempts to study how service quality and corporate image may influence or impact the customer satisfaction. Service quality and corporate image are recognized to be antecedents to customer satisfaction and trust in order to build customer loyalty in service centers. Questionnaires were distributed to 51 respondents including staff and management of Ghana Telecom/Vodafone Ghana as well as customers of the telecommunications giant. We distributed 55 questions, however, only 51 questionnaires were returned. Customers of Ghana Telecom/Vodafone Ghana Service Centers were chosen as samples to find out the relation order of Parasuraman and co-workers' five dimensions of SERVQUAL to customer satisfaction and trust to customer loyalty. The findings reveal that trust is very much influenced by one dimension of service quality which is tangibility and two new factors which are combination between reliability and responsiveness, and between empathy and assurance, namely prompt promises and courteous attention. Customer satisfaction is influenced only by prompt promises and courteous attention. It also implies that in order to boost loyalty among customers, as a service organization, Ghana Telecom/Vodafone Ghana need to focus on corporate image, which was found significant in influencing customer satisfaction and trust.

## **DEDICATION**

This project work is gratefully dedicated to God for seeing us through this course and especially to our parents, guardians, friends, and our loved ones. We also dedicate this work to Dr. Kwaku Ahenkora for his time, guidance, attention, corrections and suggestions.

## ACKNOWLEDGEMENT

We are thankful to God the Most High King for giving us the strength to realize our goals. We also wish to thank our supervisor Dr. Kwaku Ahenkora for his guidance and willingness to coach us to complete this project work.

To all those who had directly or indirectly contributed to the completion of this study, not forgetting management and staff of Ghana Telecom/Vodafone Ghana (Kumasi), we extend our deepest appreciation.

Our greatest appreciation goes to our beloved parents and guardians, who have encouraged and supported us to accomplish our study. Parents and guardians, your endless prayers have brought us this success! Thanks for everything!

Last but not least, our deepest gratitude to our friends and colleagues in BBA (marketing) who have assisted us in the data collection and in statistical analysis. To Teddy, a special note of appreciation for his support in this project work.

For the rest of those whose names and offices were not mentioned, we salute you and say thanks to you and may God who sees beyond sight bless you all

## TABLE OF CONTENT

Declaration.....	i
Abstract.....	iii
Dedication.....	iv
Acknowledgement.....	v

### CHAPTER ONE

1.0 Introduction.....	1
1.1 Background of the study.....	2
1.1.1 Overview.....	3
1.1.2 Why Relationship marketing.....	3
1.1.3 Why Ghana Telecom.....	4
1.2 Problem Statement.....	4
1.3 Research Objectives.....	5
1.4 Research questions.....	6
1.4.1 Definition of key terms.....	6
1.5 Significance of the study.....	7
1.6 Methodology.....	8
1.7 Scope.....	9
1.8 Limitation.....	9
1.9 Organization of work.....	9

## **CHAPTER TWO**

### **LITERATURE REVIEW**

2.0 Introduction.....	11
2.1 Service quality.....	11
2.1.2 Dimensions of service quality.....	15
2.1.3 Reliability.....	17
2.1.4 Tangibility.....	17
2.1.5 Responsiveness.....	18
2.1.6 Assurance.....	18
2.1.7 Empathy.....	19
2.2 Corporate image.....	19
2.2.1 Components of corporate identity.....	21
2.2.2 The elements of image.....	24
2.2.3 Measuring the corporate image.....	24
2.2.4 Developing corporate identity.....	25
2.2.5 Benefits of a strong image.....	26
2.2.6 Influences on image.....	26
2.2.7 Launching an image.....	27
2.3 Definition of satisfaction.....	28

## **CHAPTER THREE**

### **METHODOLOGY**

3.0 Introduction.....	33
3.1 Examples of services offered by Ghana Telecom.....	34
3.2 Research Design.....	35
3.3 Research Method.....	36
3.4 Population.....	36
3.5 sample size and Technique.....	36
3.5.1 Sample Technique .....	37
3.6 Method of Data collection.....	38
3.6.1 The questionnaire.....	38
3.7 Data Analysis and Presentation.....	39

## **CHAPTER FOUR**

### **DATA PRESENTATION AND DISCUSSIONS OF RESULTS**

4.0 Introduction.....	40
4.1 Personal Information of Respondents.....	40
4.1.1 Age distribution of Respondents.....	40
4.1.2 Respondents marital status.....	40
4.1.3 Number of children of the Respondent.....	41
4.1.4 Occupation of Respondents.....	41
4.1.5 State of living of Respondent.....	41



4.1.6 Educational level of Respondent.....	42
4.2 Respondents Industry Awareness.....	43
4.2.1 Respondents choice of Ghana Telecom product.....	44
4.2.2 Respondents purchase intentions.....	45
4.2.3 Respondent perception of service quality dimensions.....	46
4.2.4 Respondents perception about packages offered.....	46
4.2.5 Factors Influencing customer loyalty.....	47
4.2.6 Factors affecting trust.....	48
4.2.7 Factors enhancing repeat purchase and referrals.....	48
4.3 Factors influencing customer retention.....	49
4.3.1 Respondents total satisfaction derivative.....	50
4.3.2 Summary of the Analysis of data collected.....	51
4.4 Discussion.....	54

## **CHAPTER FIVE**

### **SUMMARY OF MAIN FINDINGS, CONCLUSIONS AND RECOMMENDATIONS**

5.0 Introduction.....	59
5.1 Summary of Findings.....	60
5.2 Conclusion.....	61
5.3 Recommendations.....	62
References.....	63
Appendices I.....	66
Appendix II .....	76

## LIST OF TABLES

Table 1. Educational levels of respondent.....	42
Table 2. Industry Awareness.....	43
Table 3. Respondent choice of product.....	44
Table 4. Respondent purchase intentions.....	45
Table 5. Perception of service quality dimensions.....	46
Table 6. Perception of packages offered.....	47
Table 7. Factors influencing customer loyalty.....	48
Table 8. Factors enhancing repeat purchase.....	49
Table 9. Factors influencing customer retention.....	50
Table 10. Respondent total satisfaction derivative.....	51
Table 11. Average respondent rate.....	52

## LIST OF FIGURE

Fig 1.....	53
------------	----

## CHAPTER ONE

### 1.0 INTRODUCTION

Services have rapidly grown in importance in Ghana as well as in most rapid growing countries. Almost all economic activities in these countries take place in the service sector. The Ghanaian Institute of Economic Affairs (IEA), an independent research institute, has projected the service sector to grow by 4.3% in 2003 and accelerated to 5.6% growth in 2004 as transportation; financial services and tourism activities perked up. (<http://www.ghanaweb.com>)

Today, services go far beyond what is traditionally called the service sector (Gronroos, 1990). Pursuing a service strategy can be way of differentiating the offering and creating a competitive advantage. As service companies, therefore, they should take advantage on variety approaches that makes quality service, as seen by the customer, the number one driving force for the operation of the business (Carlzon, 1987). According to both marketing theory and practical experience, firms should improve their performance by satisfying customers, so as to obtain and sustain advantage in the intensively competitive business environment.

Due to privatization and liberalization of policy, telecommunication sector is experiencing phenomenal global change all over the world (Beard & Hartmann, 1999). In Ghana due to increase in the mobility and the emerging complex business environment people are moving from one place to another. Therefore, they want to talk with the connected people for taking the right decision at the right time during their movement. So in a country like Ghana where the land line is very hard to come by most of the consumers now a day's depend on cell phone to communicate with each other. Mobile or Cell phone is such a vehicle that made the communication easier even for the rural people as well. Because of the stiff competition

companies are trying to capture the maximum share of the market by providing various services to satisfy the customer's needs, wants and demands. As competition has escalated among the operators. So it is necessary for them to learn about the consumer's perception about the service quality, brand image and customers satisfaction.

Furthermore, there exists a significant research gap linking service quality, brand image and customers satisfaction towards mobile phone operators customers perception in Ghana. Particularly, empirical research is scarce enhancing the new research in this area. The present study aims to gather primary data from the users of telecom consumers from multi age respondents which will present the findings about the degree of influence of service quality, brand image and customers satisfaction towards user's perception on telecom operators in Ghana. This paper presents a conceptual and exploratory analysis of the relevant variables which will direct for further empirical studies.

## **1.1 BACKGROUND OF THE STUDY**

This study is about the service quality that needs to be concerned by the service companies in order to create satisfaction and trust, and in the long term to make customers loyal to them. Besides, favorable corporate image also play an important role in retaining customers. Here, overview and the justification between relationship marketing and of Ghana Telecommunications Limited – GHANA TELECOM are discussed.

The telephone system is run by Ghana Telecom and is relatively reliable. Telephone users in the country increased from 218,000 in 2000 to three million (3,000,000) as at the end of 2005. overwhelmingly popular use of mobile telephones in the cities.

Ghana Telecom is the national telecom company of Ghana. As one of the industry leaders, the company provides the backbone for the country's telecommunication infrastructure. Ghana Telecom is one of the largest employers in the country employing close to 4,000 Ghanaians. The company's operations are a source of employment for communication center operators and agents who retail the Ghana Telecom payphone, recharge and top-up cards. Ghana Telecom offers a diverse range of telecommunication services which include, land telephone line and mobile communications services, International Direct Dialing, V-SAT, ADSL broadband or an international leased lines. Some of Ghana Telecom's brands include, Onetouch, Broaband4U, and Easy Phone.

### **1.1.1 Overview**

In today's competitive market, services and service companies within the same industry are becoming increasingly similar (Andreassen & Lindestad, 1998). Competition through the delivery of service is difficult because service cannot be measured as the way it is done. Customers now are looking for higher quality products, brand loyalty, good after-sale service and facilities. Therefore, the objectives of building good service quality and strong corporate image are to create relative attractiveness and retaining customers.

### **1.1.2 Why Relationship Marketing?**

Relationship marketing is a marketing program or strategy to protect an existing customer base through an ongoing process by creating new value for customers and sharing this over a lifetime association (Lewis & Chambers, 2000). Relationship marketing ensures a loyal base of customers. According to Gronroos (1994), the objectives of relationship marketing are to establish, maintain and enhance relationships with customers (at a profit). Rivald and Gronroos (1996) suggest that the success of a relationship that is a mutually profitable

relationship for relationship develops, the buyer starts to feel safe with the supplier and thus trust is developing.

### **1.1.3 Why Ghana Telecom?**

The importance of the telecommunications market to the national economy and the fast pace of technological progress in this industry continue to renew interest in this line of research. Ghana Telecom as national but privatized telecommunications giant is emerged as a major national provider of telephone services and capable of competing in the global market. Ghana Telecom now accounts for over 80% of telephone lines in the country, has low call rates and tariffs, faster internet services and clearer services.

## **1.2 PROBLEM STATEMENT**

Complaints, reactions, rejections, murmurings and disappointments on the faces of many a customer of Ghana Telecom / Vodafone Ghana and the telecommunications industry in general is undoubtedly on the increase in the local telecommunications market. Most of these are in the areas of customer service, complaint handling, service quality, corporate image and identity, after sales services and many more. This study therefore seeks or attempts to solve these problems by looking at the impact of corporate image and service quality on customer loyalty in curbing these concerns most raised by customers within and around the industry.

With the globalization and challenges faced by Ghana Telecom today and in the future, as well as to meet the demand of the telecommunications industries, Ghana Telecom is expected to be more competitive and more innovative. Therefore, it becomes an utmost to appraise the service quality and corporate image of Ghana Telecom.

From the above discussion, this study investigates the impact of service quality and corporate image in Ghana telecom. Two factors namely service quality and corporate image are key determinants of customers' retention (loyalty). Service quality and corporate image are found to be key roles in formulating the satisfaction among customers, to trust and to stay with the company (Andreassen & Lindestad, 1998).

This study aimed at assessing whether the link of service quality, trust and satisfaction of the customers in Ghana Telecom will affect the loyalty of the company. It is also aimed to determine whether corporate image of Ghana Telecom will affect customer satisfaction, trust and customer loyalty in Ghana Telecom.

### **1.3 RESEARCH OBJECTIVES**

The main purposes of this study are to determine the impact of service quality and corporate image on relationship quality namely trust and customer satisfaction in order to improve customer loyalty in service centers. The objectives of the study are to determine the following:

- To find out how service quality offered by Ghana Telecom will affect customer satisfaction, trust and customer loyalty.
- To explore whether corporate image of Ghana Telecom will affect customer satisfaction, trust and loyalty.
- To determine whether satisfaction of the customer can increase the loyalty to the company.
- To find out how trust can increase the loyalty to the company.
- To provide information to the management of Ghana Telecom



## **1.4 RESEARCH QUESTIONS**

This study will analyze and address the following questions:

- What is the perception of customers toward Ghana Telecom's service quality in terms of tangibility, reliability, responsiveness, assurance and empathy?
- Which of these factors influence customer satisfaction and trust?
- How can corporate image influence customer satisfaction and loyalty to Ghana Telecom?
- What is the impact of corporate image to customer satisfaction and trust?
- What are the factors that affect the relationship outcome?

### **1.4.1 Definition of Key Terms**

To provide precise of terminology, the following key terms need further explanation:

Service Quality:

- The company / customer interface and relationships and focusing on the customer's experience during the process of the transaction (Christopher, 1986).
- Focus on meeting customer's needs and requirements and also how well the service matches customer's expectations (Lewis, 1993).

#### **Customer satisfaction**

1. The customers' evaluation of a product or service in terms of whether that service has met their needs and expectations (Zeithaml & Bitner, 2000). Satisfied customer remains loyal longer, patronize the service more, fewer price sensitive and talk favorably about the company to create customer satisfaction.

Trust:

- The belief, that an individual or entity can be relied on to keep their word and promise, explicit or implicit (Lewis & Chambers, 2000).
- A belief or conviction about the other party's intentions within the relationship (Yau, McFetridge, Chow, Lee, Sin & Tse, 2000).

### **Loyalty:**

Customer retention... A customer who continues to patronize the service is a loyal customer.

Customer loyalty has an effective or attitudinal component: it's about having or experiences of things that you feel are important (Morris, Barnes & Lynch, 1999).

Corporate image:

- Concern the knowledge, feelings and beliefs about an organization that exist in the thought of its audience (Hatch & Schultz, 1997).
- "What comes to mind when one hears the name or sees the logo."

### **1.5 SIGNIFICANCE OF THE STUDY**

Understanding of the customer is very important for developing an effective marketing strategy, to regulate marketing practice or to cause socially desirable behaviour. Although it is generally accepted that quality and customer satisfaction do have positive impact on outcomes such as loyalty but the precise nature of the relationship has been opened to debate. Therefore, the study is hoped to shed lights on these issues. This study is significant as it can benefit the customers and the practitioners.

Benefits to customers:

The importance of delivering superior service quality is becoming increasingly magnified as competition intensifies throughout the service industry. A superior service quality is today's most attractive bait for acquiring and retaining customers. The benefits to customers are that they can attain better service and loyal to the company.

Benefits to practitioners:

In Malaysia, companies are utilizing the quality variable to gain competitive advantages in the global market. The companies capture more customer satisfaction and customer loyalty in improving the performance of the company which are measured by profit, revenue growth and cost saving (Anderson, Fornell & Lehmann, 1994). The benefits to the company derived from this research study can be summarized relating to increasing the market share, cost reduction and increased profit margins, improved customer service, enhanced corporate image and achieving efficiency and effectiveness in business operation.

## **1.6 METHODOLOGY**

This study shall rely on both primary and secondary sources of data to gather information. The study used primary data which were collected using questionnaire, observations and interviews with a sample size of fifty one (51). The selection of the sample size shall be based on strata and convenience sampling. By strata, we looked at age, gender, marital status, education levels etc. By convenience, since we are using only one spot, we used anybody that falls within the strata.

This study made use of books, journals, articles, project works, magazines and periodicals that have bearing on the study as well as experts in the field. The data was interpreted using statistical tools like pie and bar charts, means, standard deviations, regression and correlation

tables, frequency tables and probabilities where applicable to analyze and recommend the findings

## **1.7 SCOPE**

Due to time and financial constraints, reluctance from the respondents, this study or field work will not be extended to other telecommunication networks. It will be narrowed to only one telecommunication company, (GHANA TELECOM) as a case study in the Kumasi Metropolis.

## **1.8 LIMITATIONS**

- Unwillingness on the part of some customers to respond to the questionnaire. This contributed to the small sample size used for the research.
- Financial constraints.
- Most respondents required some form of incentives in the form of snacks before they answered or filled the questionnaire of which we could not afford for some of them. This also reduced the number of respondents to be interviewed.

## **1.9 ORGANIZATION OF REMAINING CHAPTERS**

In order to discuss this study in an effective manner, a total of five chapters have been written.

Chapter one presents an overview of the study, including reasons of conducting such a research.

Chapter two discusses previous studies conducted in the area of relationship marketing, service quality, corporate image, customer satisfaction, trust and customer loyalty, and the

underlying theories of this study. It also discusses theoretical framework and hypotheses formulated in this research.

Chapter three looks at research methodology, research design, data collection, measurement instrument used and statistical analyses conducted to test the hypotheses.

Chapter four mainly discusses the goodness of measurement used and the result of the tested hypotheses.

Chapter 5 presents the discussion on the findings and implication of this study. It also provides suggestion for future research.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 INTRODUCTION**

The intent of this literature review is to identify and discuss a theoretical framework that can be used as a foundation for the development of a method for measuring the impact of service quality and corporate image and to explain the concepts surrounding the phenomenon. In recent times Mobile telecom operators play an important role which enhance social interactions between and among individuals, groups, organizations, and the governments alike and which ultimately create a strong network of global environment. That is why Deutsch (1953) states this trend as “a web of nations”. Today’s development of communication technology ignores the global border and makes the world as “global village” (McLuhan, 1964).

#### **2.1 SERVICE QUALITY**

Service quality has its roots in the business and management field. Marketers realized that to retain customers, and to support market growth, they must provide high quality of service (Dabholkar, Shephard & Thorpe, 2000; Zeithaml, 2002). It is said that service quality is an important antecedent of consumer assessment of value, which in turn influences customer satisfaction, which then motivates loyalty (Babakus & Boller, 1992). There has been much debate as to what constitute service quality and how its measures can be operationalized in various service industries, yet no consensus has been reached (Chowdary & Prakash, 2007). The following section traces the development of the definition of *quality*, as it gears towards understanding service quality to form the basis of the conceptualization of this construct.

Business is a legal activity that is undertaken to earn a profit. Business activities can be divided into three categories i.e. manufacturing (conversion of inputs into outputs by a

transformation process); trading (buying and selling of goods) and services (provision of benefits for reward or fee). Service is defined as a set of benefits delivered from a service provider to the service consumer. The service firm provides benefits (due to competency, skills, knowledge and experience etc.) to the customers for the sake of reward (fee, facilitate the customers).

Many researchers have conducted studies in measuring service quality in the past twenty years. In 1982, McCleary and Weaver indicated that good service is defined on the basis of identification of measurement behaviors that are important to customers. Zemke and Albrecht (1985) suggested that service plays an important role in defining a restaurant's competitive strategies and identified systems and strategies for managing service. In 1988, Parasuraman, Zeithaml and Berry developed a multiple-item scale for measuring service quality called SERVQUAL. SERVQUAL is a generic instrument for measuring perceived service quality that is viewed as the degree and direction of discrepancy between consumers' perceptions and expectations. Thus, service quality, as perceived by consumers, stems from a comparison of what they feel service providers should offer with their perceptions of the performance of service provided by service providers (Parasuraman, Zeithaml and Berry, 1988).

Parasuraman *et al.* (1985) argued that evaluation of service quality is difficult as compared to physical goods. Physical existence of goods facilitates the customers to buy them due to its aesthetic characteristics. Services are considered as intangible because we are unable to see, touch or feel them (Hoffman and Bateson, 2002). Hanson (2000) suggested that service quality shows the organization's ability to meet customers' desires and needs. So organization must improve their services to meet the customers' wants and requirements. It is found that

customers' perception of service quality is very important for managers to compete in the market (Hoffman and Bateson, 2002).

Quality is an ability of any product to meet customers' expectations and requirements. It is a set of features, characteristics or attributes that are required or expected by the customers. There are several studies that found a relationship between the service quality offered by banks and its consequences as satisfaction level among customers. It is reported that quality is observed as a major factor in reference to customer acquisition and retention (Galloway and Ho, 1996).

Morre (1987) identified that concentration on service quality leads to differentiation that enhance the competitive position of the organization for long term benefits. Service quality and customer satisfaction became core issues for the successful survival of any service organization. Service quality is considered very important indicator towards customer satisfaction (Spreng and Machoy, 1996). Service quality got popularity among professionals and academia due to increased competition. It contributes a lot to gain competitive advantage to maintain long-term relationship with customers (Zeithmal *et al.*2000).

There are two perspectives regarding service quality i.e. one is European and other is Americans. European researchers concentrate on functional and technical aspects of services having a keen analysis of organization's image (Gronroos, 1982, 1984; Lehthinen and Lehthinen, 1982). They focus on three dimensions of service quality to measure the performance of any product by considering functional quality, technical quality and corporate image. Service quality is defined as a discrepancy between expected and perceived service. It



is said that service quality is the outcome of customers' comparison between expectations and performance (Gronroos, 1982).

The Americans' perspective is concentration on functional quality to measure the performance of services (Parasuraman *et al.* 1985, 1988, 1991; Kang and James, 2004).

They investigated the service quality of different industries by dividing the service quality into five dimensions: tangibility, reliability, responsiveness, assurance and empathy. Firstly, they identified ten dimensions but finally service quality is refined to five dimensions (Parasuraman *et al.* 1985, 1991).

Parasuraman *et al.* (1985, 1988) defined service quality as customers' evaluation between service expectation and service performance. They compared customers' responses regarding their perceived quality of services and their pre-purchase expectations. It is said that service quality represents the answers to some queries like what is expected by customers? What is delivered? Finally is there any difference? (Woodside *et al.*, 1989).

Asubonteng *et al.* (1996) defined service quality as the difference between customers' expectations about the service before its use and their perceptions after receiving the service. Quality factors vary from one to another in reference to the importance and their impact on the satisfaction level of the customers. It was found that specific activities like increasing the speed of processing information have resulted in delighted customers.

Similarly, improvement in the reliability of equipment lessened dissatisfaction (Johnston, 1997). However, it was reported that service quality is the subjective comparison between what the customers require and what they actually get (Gefan, 2002).

Ibáñez *et al.* (2006) investigated service quality dimensions and found a significant effect of service quality on satisfaction in Spain. In another study, a conceptual framework to measure service quality from the customer's perspective is empirically tested for convergent validity, uni-dimensionality and reliability (Saravanan and Rao, 2007).

### **2.1.2 Dimensions of Service Quality**

There is an ongoing discussion about the service quality and its dimensions. But there is a lack of consensus in the literature about the uniform dimensions among researchers. It may be due to demographics, cultural, religious, geographical or other attributes that vary from one country to another. Apparently, there are two perspectives of service quality: Europeans and Americans. Service quality is a multilevel and multidimensional concept, which varies in meanings among researchers (Cronin *et al.*, 2000).

Gronroos (1982) identified three dimensions of service quality as technical quality (actual outcome of the service); functional quality (service delivery process by interaction between service provider and service recipient); and corporate image (perception of customers about service organization). Similarly, in another study three dimensions of service quality are identified i.e. physical quality; corporate quality and interactive quality (Lehthinen and Lehthinen, 1982). Both studies reflect almost the same characteristics of the service quality.

Parasuraman *et al.* (1985) investigated the different service industries and explored 10 dimensions of service quality i.e. tangibility, responsiveness, reliability, courtesy, access, credibility, communication, competence, understanding, and security. They continued their research to purify the dimensions of service quality and developed a widely used research

instrument called SERVQUAL. It is equally applicable in different service industries including banking industry. They refined these dimensions and summed up into five dimensions like reliability, responsiveness, tangibility, assurance and empathy (Parasuraman *et al.* 1988, 1991). Gronroos (1990) explored six factors of service quality: attitude and behavior; skills and professionalism; accessibility and flexibility; reliability and trustworthiness; recovery; reputation and credibility.

Johnston (1995) identified 18 dimensions of service quality to measure the performance of service industries: aesthetic, availability, attentiveness, access, care, cleanliness, comfort, commitment, communication, competence, courtesy, friendliness, flexibility, functionality, integrity, reliability, responsiveness and security. Oppewal and Vriens

(2000) used 28 attributes to measure the service quality in retail banking sector.

Similarly, Bahia and Nantel (2000) found six dimensions of service quality that consists of 31 items to measure the service quality in the banking sector.

Sureshchander *et al.* (2002) developed 41 items scale to measure the service quality in the banking sector. Although there are different dimensions of service quality exist in the literature. But this study follows SERVQUAL instrument based on five dimensions to measure the impact of service quality on customer satisfaction and bank performance.

Parasuraman *et al.*, (1988, 1991) developed SERVQUAL instrument to measure the dimensions of service quality that is frequently used by researchers. It consists of 22 items that are compiled into five dimensions: tangibility; reliability; responsiveness; assurance and empathy. This study applied five dimensions of service quality that are explained as under:

**Reliability**– This dimension shows the consistency of services towards performance and dependability.

**Tangibles**- It shows the physical aspects of the services as physical facilities, appearance of personnel and tools & equipment used for provision of services.

**Responsiveness**-It reflects the willingness or readiness of employees to provide quick services to customers.

**Assurance**- This dimension indicates the employees' knowledge, courtesy and their ability to incorporate trust and confidence.

**Empathy**- This dimension shows the magnitude of caring and individual attention given to customers.

### **2.1.3 Reliability**

Reliability is the ability to perform services dependably and accurately in a consistent manner. It contains five elements to assess the accuracy and credibility of services in the telecommunications industry.

This dimension of service quality evaluates the promises of banks and its execution from customers' point of view. Reliability is very important determinant of product quality besides good personal service, staff attitude, knowledge and skills (Walker, 1990).

Berry and Parasuraman (1991) reported that reliable service is the outcome of the continuous improvement. Similarly in another study, it is found that service reliability is the service “core” to most customers. So managers should use every opportunity to build a “do-it-right-first” attitude (Berry *et al.*, 1990).

#### **2.1.4 Tangibility**

This dimension shows the physical aspects of the services as physical facilities, appearance of personnel and tools used for the provision of services. It is more concerned with aesthetic part of the telecommunications industry.

Zineldin (2005) studied the product/service quality and customer relationship factors in Sweden. It is found that a company can create customer relationships by delivering added tangible and intangible elements of the core products. Strong competitive positions are the outcome of product/service quality and differentiation.

#### **2.1.5 Responsiveness**

This dimension reflects the willingness or readiness of employees to provide quick services to customers. Customers are very keen to employees' behavior in services industry especially in the banking industry. It was reported that customers are very sensitive to employees' working environment in service organizations (Brown and Mitchell, 1993). It was found that correct match between staff skills and customers' expectation resulted in better service quality towards customers (Gollway and Ho, 1996).

Service recovery and problem solving have been recognized as important parts of services quality (Hart *et al.*, 1990; Dabholkar *et al.*, 1996; Swanson and Kelley, 2001; Nelson and Chan, 2005).

#### **2.1.6 Assurance**

This dimension indicates the employees' knowledge, courtesy and their ability to convey trust and confidence. Service quality is also linked to the customer satisfaction as how employees use their knowledge & courtesy and their ability to incorporate trust and confidence. Parasuraman *et al.* (1988) reported assurance as an essential dimension of service quality

after reliability and responsiveness towards satisfaction. It is found that a company can create customer satisfaction by ensuring trustworthy behavior and reflection of genuine commitments to service provision (Nelson and Chan, 2005). Arasli *et al.* (2005) identified that assurance dimension of service quality has the strongest impact on customer satisfaction that leads to positive word of mouth outcome. In another study, overall customer satisfaction was examined in reference to relationship quality in retail banking sector of Malaysia. The results indicated that trust and commitment are important factors for customer satisfaction regarding relationship quality (Nelson, 2006).

### **2.1.7 Empathy**

This dimension shows the magnitude of caring and individual attention given to customers. In the telecommunications sector customer care and individual attention is indispensable for the better performance due to stiff competition. Customers in the telecommunications industry consider empathy as an important dimension of service quality (Jabnoun and Al-Tamimi, 2003). It is suggested that employees' commitment to deliver quality services, skillfully handling of conflicts and efficient delivery of services resulted in satisfied customers for long term benefits (Nelson and Chan, 2005). Malhotra *et al.* (2005) examined the difference in perceptions of service quality dimensions between developing and developed countries. They found that in developing countries like India and Philippines results were systematically and significantly different.

## **2.2 CORPORATE IMAGE**

Barich and Kotler (1991) describe corporate image as the overall impression made on the minds of the public about an organization. As broadly discussed in the previous literature, corporate image is not unique: a single firm possesses various images that differ according to

a specific group, each of whom has different types of experiences and contacts with the company (Nguyen & Leblanc, 2001). Corporate image may be considered as ‘a function of the accumulation of purchasing/consumption experience over time’ (Andreassen & Lindestad, 1998, p. 84), or a function of the cumulative effect of customer (dis) satisfaction (Bolton & Drew, 1991; Fornell, 1992; Johnson & Fornell, 1991).

Nguyen and Leblanc (1998; 2001) claimed that corporate image is related to the physical and behavioral attributes of the firm, such as business name, architecture, variety of products/services, and to the impression of quality communicated by each person interacting with the firm’s clients. A seller’s reputation effects the perceptions of the quality of the products sold by that seller (Cabral, 2000) confirmed this hypothesis in his study of product stretching. Haque et al. (2006) depicted consumer familiarity and confidence significantly depend on brand of the products and a company’s sales history. In general, familiarity is created when there are long sales history, strong brand images of a company and previous satisfaction of using the product (Coltman et al., 2000; Wen –Yeh et al., 2004). Confidence was also derived from consumers’ attitudes that directly influence their purchasing intentions (Donnavieve & Sivakumar, 2002). According to Aydin and Zer (2005) corporate image, perceived service quality, trust and customer switching costs are the major antecedents of customer loyalty, and loyal customers may buy more, accept higher prices and have a positive word-of-mouth effect. Consequently, corporate image as an attitude must affect behavioral intentions such as customer loyalty (Johnson et al., 2001). Nguyen and Leblanc (2001) demonstrated that corporate image relates positively with customer loyalty in three sectors (telecommunication, retailing and education). Experience, based on the discrepancy between prior expectation and the actual performance perceived after consumption (Yi, 1990). Lin and Chen (2006) explored that product knowledge and product involvement all has a significantly positive effect on consumer’s purchase decision. Meanwhile product

evaluations based on direct experience are strong predictors of behavior (Fazio & Zanna, 1978, 1981). Satisfaction is based on direct past experience; it is likely to be accessible and to affect behavioral intentions independent of other considerations. However, little empirical evidence had shown that customer satisfaction actually translates into loyalty (Jones & Sasser 1995). Oliver (1997) argued that even a loyal consumer is vulnerable to situational factors (e.g., competitors' coupons or price cuts) and so satisfaction is not likely to be the sole (reliable) predictor loyalty (Reichheld, 1996). Satisfaction means a feeling of pleasure because one has something or has achieved something. It is an action of fulfilling a need, desire, demand or expectation. Every rationale customer compares the cost (price) and benefit (utility) of any product or services. Customers compare their expectations about specific product/services and its actual benefits. This comparison results into three types of customers: dissatisfied customers (expectations are more than actual performance of the service); satisfied customers (actual benefits realized from services are equal to or more than expectations); indifferent customers (actual performance and expectation are exactly equal).

### **2.2.1 Components of Corporate Identity**

#### **Values.**

Do you stand for stability, like Prudential insurance? Innovation, like 3M? Educational curiosity, like the Discovery Channel? Social consciousness, like Ben & Jerry's Ice Cream?

#### **Personality.**

From the company's personality can flow ad campaigns, kinds of special events to sponsor, company colors and typefaces, corporate gift selection, even the talent chosen to record company voice mail messages.



**Behavior.**

Your company's image includes not only how you promote yourselves but also how you act toward customers and the public. Things like how you answer the phone, how you greet shoppers, how cheerfully you correct mistakes or accept returns, how aggressively you negotiate contracts all become bound up in one composite image.

**Price.**

How much you cost in comparison to competitors often becomes part of your image. If you're tempted to keep price out of the equation until someone expresses a desire to buy, think twice.

**Range.**

Customers should understand the spectrum of products and services that you sell.

**Geographical roots.**

Where did your company come from? If you're a locally owned family business competing with multinational giants, make sure people know that. If you're selling nationally but rooted in a picturesque corner of the country, make hay out of that.

**Longevity.**

Moody and Regan, a printing company in Waltham, Massachusetts, wisely and impressively uses as its tag line, "Established 1898." Whenever you've been around much longer than competitors, you can profitably incorporate that into your image.

**Slogan.**

Which brand “tastes good like a cigarette should”? Which car is “the ultimate driving machine”? Even local or specialized companies can achieve this kind of awareness with their clientele.

**Benefits.**

What do buyers get when they purchase from you? Most companies provide intangible, emotional benefits as well as tangible, practical ones (Burger King: inexpensive, satisfying meal; Boston Pops: a fun night out; Kodak: photos with true-to-life colors). Marcia Yudkin is the author of *6 Steps to Free Publicity* and ten other books hailed for outstanding creativity. Find out more about her new discount naming company, *Named At Last*, which brainstorms new company names, new product names, tag lines and more for cost-conscious organizations. "Corporate image" was once advertising jargon but is today a common phrase referring to a company's reputation.

The "image" is what the public is supposed to see when the corporation is mentioned. The ordinary man and woman on the street usually have a wry view of public relations, advertising, hype, hoopla, and therefore also of corporate image—and this often for good reasons. But a good corporate image is a genuine asset; it translates into dollars at the counter and higher stock valuation. The concept is usually associated with large corporations, but small businesses also have a corporate image even if neither their owners nor customers think of it that way. In the absence of active efforts, corporate image "simply happens": it is how a company is perceived. Management, however, may actively attempt to shape the image by communications, brand selection and promotion, use of symbols, and by publicizing its actions. Corporations trying to shape their image are analogous to individuals who will dress

appropriately, cultivate courteous manners, and choose their words carefully in order to come across competent, likeable, and reliable. In the personal as in the corporate case, the image should match reality. When it does not, the consequence will be the opposite of the one intended.

### **2.2.2 The Elements of Image**

A corporate image is, of course, the sum total of impressions left on the company's many publics. In many instances a brief, casual act by an employee can either lift or damage the corporate image in the eyes of a single customer or caller on the phone. But the overall image is a composite of many thousands of impressions and facts. The major elements are 1) the core business and financial performance of the company, 2) the reputation and performance of its brands ("brand equity"), 3) its reputation for innovation or technological prowess, usually based on concrete events, 4) its policies toward its salaried employees and workers, 5) its external relations with customers, stockholders, and the community, and 6) the perceived trends in the markets in which it operates as seen by the public. Sometimes a charismatic leader becomes so widely known that he or she adds a personal luster to the company.

### **2.2.3 Measuring the Corporate Image**

Corporations evaluate their image, much as politicians do, by survey. They employ the methodology of marketing surveys used both in polling and in support of advertising. The investigators select appropriate samples of the public and interview them; telephone surveys are the most common. They use statistical methods of extrapolation to project from the sample what the public as a whole (or selected publics) think. Corporations, of course, also rely on the much "harder" measures such as sales and stock performance. Surveys of the corporate image are sometimes motivated by sagging sales and a miserable press. The theory

of the corporate image holds that, all things equal, a well-informed public will help a company achieve higher sales and profits, whereas a forgetful or poorly informed public may come to hold negative impressions about the company and may ultimately shift more of its patronage toward competitors.

#### **2.2.4 Developing Corporate Identity**

Corporate identity is not just a logo or a name of a company. Though these are the most visible of its components. Corporate identity is what makes a company special and unique. It expresses the company's approach to business, its values and business culture. It is reflected in everything from the quality of the products and/or services, marketing strategies, communication media, and working environment. Corporate identity should tie all the different elements of the business together in a unifying way. Corporate identity enables the company to build recognition and loyalty among clients, to communicate its values and special approach to business in a memorable way, to establish a benchmark of set of goals, against which the performance can be judged, and to give employees a sense of belonging to a team. Corporate identity is especially important for a new company. A well-developed corporate identity is an investment in the company's future. It helps to lend credibility and professionalism to the enterprise, at a time when it is trying to become known in the market. Successful companies invest a lot of time and energy into managing how they are seen by the world. They do not leave anything to chance when it comes to their corporate identity. Corporate identity is also the detailed way a company is intended to be run, serving as a guide to employees as the company grows.

### **2.2.5 Benefits of a Strong Image**

According to A.C. Nielson, 30 brands that are currently leaders in their respective categories will lose their positions in less than two years. A strong corporate image can extend product lives and can also buy a firm through the inevitable sales valleys by providing:

- A complete awareness among managers of the firm's long-range goals
- More clearly defined corporate objectives and direction
- Improved insights into competitive positions and market conditions
- Improved internal and external communications
- A positive accounting to customers of the firm's position in the industry and the marketplace
- Improved understanding of the organization within the financial community
- Better understanding of the company, its objectives and its direction by employees, suppliers, directors, and the media

### **2.2.6 Influences on Image**

Advertising and publicity are only two aspects in the establishing a firm's image. Everything a company is, says and does is a component of its corporate image:

- **The product--**Consistent high quality from people like Hewlett Packard, Compaq, IBM, Tektronix, and others has positioned these companies above their competition.
- **Service--**IBM may not have the most advanced products, but no one questions the level of service they provide.
- **Finance--**When well-known, reputable companies have short-term setbacks in sales and earnings, there is little concern in the marketplace. The financial strength of organizations such as Microsoft, IBM, Compaq, Apple, DEC, HP and others is a strong factor in purchasing decisions and affects the future successes of those firms.

- Employees--Happy, productive employees are a powerful market influence. The attitudes of a firm's employees often influence the way it is perceived by clients, trade partners and competitors.
- Sense of Citizenship--In recent years, management has become increasingly aware of its corporate responsibility as citizens of communities and as participants in government policy. HP, Intel, National Semiconductor and other industry leaders have become more vocal and more visible in Washington, D.C., taking strong positions regarding technology drain, technology transfer and international sales.
- Acquisition Policy--A company's growth through acquisition generally tells its many publics that the firm is growing. But hostile takeovers, greenmail and similar activities can adversely affect a company's image. The ability to assimilate new acquisitions into existing corporate structures is also important, as Gould and Xerox have realized.

### **2.2.7 Launching an Image**

There are certain steps which must be followed in launching a corporate image communications program. They are:

- Evaluate the strengths and weaknesses of the company's current image. Define the factors which determine that image and assess the underlying emotion attributed to these factors. Negative images dictate the need for basic changes in corporate policies and practices. Neutral images require that a choice be made between maintaining status quo and promoting expansion and growth. Corporations with positive images should seek to perpetuate and expand on them.
- Define the image that the firm wants to project. Every firm wants to be perceived as profitable, well-managed, forward-looking, research-oriented, rapidly growing and

rapidly diversifying as well as kind and beneficial to its employees, stockholders and customers. Carve out a niche which is unique to your own organization.

- Determine a course of action that appeals to the largest possible number of your target audience.
- Create audience-specific selling themes. Make certain each selling theme is compatible and in line with the overall image theme.
- Coordinate every channel of communications to build the desired image. This includes advertising, sales people, letterhead, shipping labels, invoices, employee training manuals, brochures, posters, business cards, samples, trademarks, product labels, articles, news releases, trade booth displays and other internal and external promotional vehicles.

### **2.3 DEFINITION OF SATISFACTION**

Satisfaction means a feeling of pleasure because one has something or has achieved something. It is an action of fulfilling a need, desire, demand or expectation. Every rationale customer compares the cost (price) and benefit (utility) of any product or services. Customers compare their expectations about specific product/services and its actual benefits. This comparison results into three types of customers: dissatisfied customers (expectations are more than actual performance of the service); satisfied customers (actual benefits realized from services are equal to or more than expectations); indifferent customers (actual performance and expectation are exactly equal). Westbrook (1981) reported that overall satisfaction is the outcome of customer's evaluation of a set of experiences that are linked with the specific service provider. It is observed that organization's concentration on customer expectations resulted into greater satisfaction (Peters and Waterman, 1982). Kotler (2000) defined satisfaction as a person's feelings of pleasure or disappointment resulting from

the comparison of product's perceived performance in reference to expectations. Customers' feelings and beliefs also affect their satisfaction level. It is said that satisfaction is a function of customer's belief about fair treatment (Hunt, 1991). Customer satisfaction has become important due to increased competition as it is considered very important factor in the determination of bank's competitiveness (Bartell, 1993; Haron *et al.* 1994). Satisfaction is a post purchase evaluative judgment associated with a specific purchase decision (Churchil and Suprenant, 1992). The customer satisfaction is indispensable for the successful survival of any organization. Continuous measurement of satisfaction level is necessary in a systematic manner (Chakravarty *et al.* 1996; Chitwood, 1996; Romano and Sanfillipo, 1996).

Yi (1990) defined customer satisfaction as a cumulative outcome of perception, evaluation and psychological thinking of customers when they utilize any service. There are a number of studies that measured the customer satisfaction towards services in the telecommunication sector (Anderson *et al.*, 1993; Brenhardt *et al.*, 1994; White, 1994; Bedal and Power, 1995; Holliday, 1996; Dispensa, 1997).

Satisfied customer is the real asset for any organization that ensures long-term profitability even in the era of great competition. It is found that satisfied customer repeat his/her experience to buy the products and also creates new customers by communication of positive message about it to others (Dispensa, 1997). On the other hand, dissatisfied customer may switch to alternative products/services and communicate negative message to others. So, organizations must ensure the customer satisfaction regarding their goods/services (Gulledge, 1996). Customer satisfaction is an urgent challenge for the telecommunications industry as it was considered in case of conventional activities. Customer satisfaction became the center of organizational efforts. Institutions have experienced an intense competition and changing



expectations of the customers (Cheng *et al.* 1996). Customer satisfaction is the central tenet to compete in the market successfully. It is prerequisite to retain customers to generate economic benefits. Customer satisfaction is crucial to realize greater profitability, larger market share and more returns on investments etc. (Scheuing, 1995; Reichheld, 1996; Hackl and Westlund, 2000).

Customer satisfaction is a multidimensional construct that requires multi-item scale for its measurement. Researchers agree with the multidimensional nature of customer satisfaction and measured it accordingly (Westbrook and Oliver, 1981; Crosby and Stephens, 1987; Supernant and Soloman, 1987; Oliver and Swan, 1989; Oliva *et al.* 1992; Bitner and Hubert, 1994; Shemwell *et al.*, 1998; Sureshchander *et al.*, 2002).

Cronin and Taylor (1992) used a single item scale to measure the customer satisfaction.

They asked customers to report overall feeling of satisfaction regarding a specific service experience. This approach proved insufficient due to concentration on only one item.

Customers' overall satisfaction is investigated by using a four-item scale with reference to service provider (Bitner and Hubert, 1994). Another study investigated customers' satisfaction by developing a five-item scale to test their model (Shemwell *et al.*, 1998).

Sureshchander *et al.* (2002) investigated customer satisfaction by using a forty one-item scale that is further summed up into five dimensions. They investigated the relationship between service quality and customer satisfaction in the telecommunications industry. They suggested five dimensions of customer satisfaction i.e. core service or service product; human element of service delivery; systematization of service delivery (nonhuman element); tangibles of service (servicescapes) and social responsibility.

Customer satisfaction appears as the cumulative result of customer's internal feelings about their experiences related to products/services. It is suggested that organizations especially in

the telecommunications industry should concentrate on customer satisfaction. It could result into repeated purchase behavior that is inevitable for long-term business success. An empirical study indicates a strong relationship between perceived service quality, customer satisfaction and other variables in Australian and Korean banks (Kayis, Kim and Shin, 2003). Khalifa and Liu (2003) said that satisfaction is measured by the discrepancy between perceived performance and cognition like expectations or desires. There are several factors that yield customer satisfaction but service quality is one of them. It is reported that customer satisfaction helps to retain customers for greater profitability, increase in market share and more return on investment (Hackle and Westlund, 2000). It is investigated that service quality works as input to appear as customer satisfaction (Malta, 2002). It is found that customer satisfaction generates several outcomes like repeat purchase; loyalty, positive word of mouth and long term profitability (Wirtz, 2003).

Gustafsson (2005) defined satisfaction as a customer's overall evaluation pertaining to offer. The study found that overall satisfaction has a strong positive impact on customer loyalty regarding a wide range of products and services. It is explored that there is direct and positive relationship between perceived quality and level of satisfaction (Iglesias and Guille'n, 2004). It is suggested that the service organizations can create customer satisfaction by incorporating trustworthy behavior, proper communication of information, reflection of genuine commitment to provide quality services, settlement of conflicts and improvement in the quality of overall customer relations (Nelson and Chan, 2005).

Organizational performance reflects an organization's understanding and knowledge regarding customer needs and expectations (Kohli and Jaworski, 1990; Deshpande *et al.*, 1993; Slater and Narver, 1995). It is reported that an organization can maximize the customer

satisfaction for better profitability, increased sales volume that ultimately improves its performance for long term benefit (Baker and Sinkula, 1999). Generally, organizational performance is assessed by the application of financial measures. It is suggested that four models i.e. human relations; internal process; open system and rationale goal model could represent the organizational performance (Quinn and Rohrbaugh, 1983). Wheelen and Hunger (1998) argue that appropriate performance measures depend on the organizations and their objectives i.e. profitability, market share and cost reduction. Service quality gained significance with the passage of time due to increased competition among service firms. It was examined that how customer satisfaction affects the customers' behavioral consequences. The study found a strong impact of customer satisfaction on their decision to stay with the existing service provider; and restrain their negative behavioral intentions. (Athanassopoulos, Gounaris and Stathakopoulos, 2001).

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.0 INTRODUCTION**

This chapter deals with the research design, research method used, population, sample size and technique, mode of data collection, data editing, questionnaire designing, analysis and presentation of data. Nguyen and Leblanc (1998; 2001) claimed that corporate image is related to the physical and behavioral attributes of the firm, such as business name, architecture, variety of products/services, and to the impression of quality communicated by each person interacting with the firm's clients. Westbrook (1981) reported that overall satisfaction is the outcome of customer's evaluation of a set of experiences that are linked with the specific service provider.

According to Mintil (1996), consumers' lifestyle and behavior continue to vary in the marketing environment. Marketers realized that to retain customers, and to support market growth, they must provide high quality of service (Dabholkar, Shephard & Thorpe, 2000; Zeithaml, 2002). This implies that marketers need to tailor marketing programs to specific customer needs.

This suggest that, mobile telecommunications companies such as Ghana Telecom, now Vodafone, MTN, Airtel, Tigo and Expresso need to effectively combine its respective corporate image and service quality offered to enhance and maintain its customers' loyalty.

It also covers the sample framework and the sample method for the study as well as the sample size. It discusses the design and the administration of the questionnaire used. The method used was based wholly on primary data as the main source of data with the help of systematic and stratified sampling techniques.

### **3.1 EXAMPLES OF SERVICES OFFERED BY GHANA TELECOM**

There are a number of products and services offered by the mobile telecommunications giant and among them are; mobile phones, fixed lines, broadband, top up cards, catalogues, devices, international tariffs and promotions.

#### **Fixed Line and Broadband**

Fixed line offers crystal clear voice and innovative data services and products at competitive rates. Select either our Prepaid or Postpaid Fixed Line plan depending on what suits your usage and budget.

#### **Fixed Line Prepaid**

Enjoy top quality service on your Vodafone fixed line on your own terms. By choosing the fixed line prepaid plan, you ensure that you are totally in control of your telephone spend. This means that you decide how much credit to load onto your line at your convenience.

#### **International Direct Dialling (IDD)**

Postpaid customers can activate our IDD service on their fixed line so they can call abroad directly at competitive rates.

#### **Call Transfer**

This service enables you to transfer all your incoming calls to any fixed or mobile number of your choice within Ghana. This means that you never have to miss an important call even if you are away from home.

### **Call Waiting**

Never miss a call even when you are already talking on your line. When you activate call waiting on your fixed line, others are able to reach you on the same line on which you are talking. You then have a choice of answering the incoming call.

### **Wake-up call**

Use your telephone as an alarm to remind you of appointments or to wake you up at a time that you have previously set. Vodafone helps you meet all your appointments.

### **Last Number Redial**

Redial the last number that you called at the touch of a button.

### **Password**

You can put a secret code on your line that protects you against fraud and unauthorised use of your telephone.

### **Itemised Billing**

You can request for an itemized bill at the end of each month so you know how much you spend on all the services we provide for you.

## **3.2 RESEARCH DESIGN**

The research was designed to make use of surveys to collect specific data in order to accomplish the desired aims and objectives of the study. This design was chosen to ensure the most relevant information needed as quickly as possible and within the shortest possible time. It would also ensure accuracy and reliability.

### **3.3 RESEARCH METHOD**

The researcher made use of descriptive research which describes people's perceptions, about the effect of service quality and corporate image on customer loyalty.

### **3.4 POPULATION**

The population for the study is made up of management, staff and clients of Ghana Telecom, Kumasi office, Adum and patrons of the telecommunications giant. The size of the population is about two hundred (200).

### **3.5 SAMPLE SIZE AND TECHNIQUE.**

The sample size is fifty one (51) and it was taken out of the population of two hundred (200).

The sample used consisted of eleven (11) staff members of Ghana Telecom of which three (3) are management members of the company, eight (8) employees and the rest of the forty (40) are customers of the company who regularly use Ghana Telecom products and services, specifically the Adum branch.

We could have used more than fifty (51) respondents but due to time constraint, we decided to use fifty (51) respondents as our sample size.

The fifty one (51) respondents were made up of the following:

- Seven (7) newly married couple with no children.
- Twenty two (22) young single people living away from their parents.
- Six (6) older married couples still in the labour force, with their children living independently.
- Six (6) older married couple with dependent children.
- Three (3) retired married couples with children living independently.
- Seven (7) young married couples with the youngest child six or older.

### **3.5.1 Sampling Technique**

The instrument we used in selecting the respondents to gather the data was convenience sampling technique due to the willingness and availability of respondents. The selection of correspondents were done where every third person who comes out from the offices of Ghana Telecom was interviewed aided by already and concisely prepared questionnaire. Problems could however arise if the choice follows some regular pattern or periodicity in the sampling frame corresponding to the interval between people in the sample.

In the process of data collection, we decided to do the research outside the offices of Ghana Telecom to avoid influencing respondents' behavior and attitude and any distraction that will distract the activities of the offices. Each of the three group members took active roles in interviewing of the respondents to make the total number of sample size to be complete.

A combination of this technique also has advantages of allowing us enough time to interview the respondents leaving the offices and premises of Ghana Telecom. However, we faced some problems as some of the respondents had finished on time and do not feel free to give accurate answers or information.

### **3.6 METHOD OF DATA COLLECTION**

The main procedure used for the collection of data for the study was personal interview supported by an already prepared questionnaire. Personal interview is a face to face interaction between the interviewee and the interviewer with the purpose of collecting data. This is done in different ways but in the present study we used face to face as our form of personal interview. The use of the personal (face to face) interview gave us some advantages as we were able to investigate what the respondents said, felt, thought and purchased, and the



type of products purchased as the respondents come out of the offices. Personal interview enabled us to ask further questions in order to ascertain truthfulness and clarity of information gathered from respondents. However interacting with respondents through personal interview posed some problems and difficulties as respondents found it difficult to think thoughtfully about the questions before responding due to limited time to answer each question. Since some of the respondents did not have enough time to be interviewed, we spent much time interviewing more people, which made it more expensive in conducting personal interview.

### **3.6.1 The Questionnaire**

The questionnaire was prepared in order to facilitate easy interviewing, avoiding ambiguity in order to achieve the desired purpose of the study. We used both opened and closed ended questions. Open ended questions were asked to help respondents to freely express themselves on the questions posed and their patronage with regards to the types of types of products and services bought or patronized and their satisfaction level. Closed ended questions were also added to limit respondents, thus, giving respondents alternative answers to choose from. Information on demo-graphic issues concerning the respondents or patrons were also gathered (age, gender, marital status, education etc). The number of items on the questionnaire is forty three (43). These are made up of five (5) sections. One of the sections is on personal information of the respondents, products background of Ghana telecom, service quality, corporate image and customer loyalty. We gathered the questionnaire and edited them. For each of the fifty one respondents, a questionnaire was completed and we checked the responses as being provided by the respondents by looking at the answers being given by the respondents. We did that by checking any inconsistency, errors and omissions. Editing ensures that accurate and reliable data was used for the analysis and drawing of conclusions.

### **3.7 DATA ANALYSIS METHOD AND PRESENTATION**

An experiment was conducted on four different weeks, Fridays and Saturdays continually. The first week was used for interacting with respondents on industry background and knowledge of products and services offered by Ghana Telecom. The following weeks for service quality whiles the third and fourth weeks were dedicated for corporate image and customer satisfaction respectively. We also had the opportunity to interact with respondents on issues concerning customer loyalty and trust. The data collected is presented by the use of tables, percentages and bar charts.

## **CHAPTER FOUR**

### **DATA PRESENTATION AND DISCUSSIONS OF RESULTS**

#### **4.0 INTRODUCTION**

This chapter analyzes the questionnaire used to assess the impact of service quality and corporate image on customer loyalty.

#### **4.1 PERSONAL INFORMATION OF RESPONDENT**

The respondents interviewed were customers of Ghana Telecom which represented 78.4% and staff members of Ghana Telecom which also represented 21.6%. Out of the total number of respondents interviewed, 27 of them were males and the rest of the 24 respondents interviewed were females. Among the 27 male respondents, 21 of them were customers; and 6 respondents were staff. Similarly, out of the 24 female respondents interviewed, 19 of them were customers; and 5 were staff members. This implies that fair representations of the respondents were interviewed despite the numerous challenges we encountered.

##### **4.1.1 Age Distribution Of Respondents**

Out of the total of 51 respondents interviewed, 30 of them were between the ages of 18 – 29, 14 of the respondents were between 30 – 45 and 7 of them were above 46 years. Greater percentage of the respondents ages were in the active labour force and could still work to receive incomes.

##### **4.1.2 Respondents Marital Status**

Out of the 51 respondents interviewed, 18 of them were found to be married, 27 of them were single, and 6 of them were divorced. We also researched into whether married customers

were newly married or couples and it came out that 8 of them were newly married; and 10 respondents were old couples. These means larger populations of the respondents have smaller family size.

#### **4.1.3 Number of children of the Respondents**

Out of the 18 married respondent interviewed, 5 of them had children numbering between 1 and 3, 3 of them had children numbering between 4 and 6, and 2 of the couples had children numbering between 5 and 7 while 8 of the newly married couples had no children. None of the respondents had number of children above 8. This means that the respondents have smaller family size.

#### **4.1.4 Occupation of Respondents**

In all, we interviewed 51 respondents, of which 11 were workers of Ghana Telecom and 40 customers. Out of the 40 patrons of Ghana Telecom interviewed, 14 of them were civil servants, and 10 were traders, 6 were unemployed and 18 students.

#### **4.1.5 State of living of Respondents**

Among the 51 customers of Ghana Telecom interviewed, 6 of them were old couples still in the labor force with children living independent, 6 of them were couples and not living with parents. Customers who were married and living with dependent children were 4, and the rest of the 2 were married and had no children. Customer that were single and living away from parents were 15, and the other 12 were of the other. The situation above implies that, customers or respondents who were independent of parents could spend more time at Ghana Telecom facilities and also spend more money on expensive accessories where as those dependent on parents would be compelled to spend lesser time at the facilities and spend less

money on expensive accessories. The income levels of customers still in the labor force would be high and thus, their purchasing power would also be high which will affect their spending pattern and make them spend more money at the Ghana Telecom facilities.

#### 4.1.6 Educational Level of Respondents

Out of the 51 respondents interviewed, 15 had completed J.H.S, and 11 had also completed S.H.S. 18 respondents had completed tertiary, while 7 had completed middle school. The workers of Ghana Telecom have a certain degree of educational background ranging from J.H.S to tertiary. The implication is that, the workers of Ghana Telecom have a certain degree of knowledge and will be able to study and understand why customers behave the way they do and also manipulate the variables at their disposal to suit the satisfaction of the customers and enhance assess the impact of service quality and corporate image on their customers satisfaction. This can be seen in table 4.1 below.

**Table 4.1: Educational Levels Of Respondents**

Answer	Number of Respondents	Percentage (%)
J H S	15	29.4
S H S	11	21.6
Tertiary	18	35.3
Middle School	7	13.7
Total	51	100

Source: from the researcher's field survey, April, 2013.

## 4.2. RESPONDENTS INDUSTRY AWARENESS

The respondents interviewed on the general awareness of the telecommunications industry on six companies within the industry, 17 responded aware for MTN, 4 for Glo, 10 for Ghana Telecom/Vodafone, 1 for Expresso, 11 for Tigo, and 8 also for Airtel. The implication is that greater percentage of the respondents interviewed in this category are much aware of the players within the telecommunications industry and the awareness level cannot be over emphasized with MTN gaining the highest awareness followed by Tigo, Ghana Telecom/Vodafone, Airtel, Glo and Expresso in that hierarchical order. This is presented in the table below.

**Table 4.2 Industry Awareness**

Company	Number of Respondents	Percentage (%)
MTN	17	33.3
TIGO	11	21.6
Ghana Telecom/Vodafone	10	19.6
Airtel	8	15.7
Glo	4	7.8
Expresso	1	2
Total	51	100

Source: from the researcher's field survey, April, 2013.

#### 4.2.1: Respondents Choice of Ghana Telecom Products

Among the numerous products and services offered by the telecommunications giant Ghana Telecom, six items namely, chip, internet, phone, transfer, modem and others juxtaposed, 30 of the respondents chose chip, 3 chose internet, 7 chose phones 3 chose transfer and 8 chose modem whereas none chose other. The above implies that the respondents have fair knowledge of Ghana Telecom products and services and have widely accepted them, hence are biased to Ghana Telecom products and services. This is presented in the table below.

**Table 4.3 RESPONDENTS CHOICE OF PRODUCTS**

PRODUCTS	NUMBER OF RESPONDENTS	PERCENTAGE (%)
Chip	30	58.8
Internet	3	5.9
Phone	7	13.7
Transfer	3	5.9
Modem	8	15.7
Others	0	0
Total	51	100

Source: from the researcher's field survey, April, 2013.

#### 4.2.2 Respondents Purchase Intentions

There are several reasons and intentions behind peoples' choice of products and services. Out of the 51 respondents interviewed, 12 of them said their purchase intentions were based on personal use of the products and services, 2 for family use of products and services, 28 asserted that their intentions were based on business use of products and services 9 of the respondents also said their purchase intentions were based on acquiring gifts for friends and loved ones. The implication is that unconsciously, the company provides employment for majority of its customers thereby raising incomes and sustainability, followed by personal use or individual usage of products and services as shown in the table below.

**Table 4.4 RESPONDENTS PURCHASE INTENTIONS**

Purchase Intentions	Number of Respondents	Percentage (%)
Personal	12	23.5
Family	2	4
Business	28	54.9
Gift	9	17.6
Request	-	-
Total	51	100

Source: from the researcher's field survey, April, 2013.



### 4.2.3 Respondents Perception of Service Quality Dimensions

Out of the 51 respondents interviewed, 5 said yes to indicate that their perceived service quality dimension is reliability, 3 said tangibility, 21 said responsiveness, 12 for assurance, and 10 said empathy. The implication is that the willingness or readiness of employees to provide quick services to customers is very paramount and needs much attention. This is followed by the employees' knowledge, courtesy and their ability to incorporate trust and confidence in the customer.

**Table 4.5 PERCEPTION OF SERVICE QUALITY DIMENSIONS**

Service Dimensions	Number of Respondents	Percentage (%)
Reliability	5	9.8
Tangibility	3	5.9
Responsiveness	21	41.2
Assurance	12	23.5
Empathy	10	19.6
Total	51	100

Source: from the researcher's field survey, April, 2013.

### 4.2.4 Respondents Perception of Packages Offered

Considering the total packages offered by Ghana Telecom/Vodafone, 19 out of total number consider customer service as the highest and most important package offered, 18 respondents out of the total number of the respondents went for product features as the next high package, benefit and cost derivation as the third package as responded by 8 respondents where as 6 of

the respondents also said atmospheric. The implication is that, customers are becoming more demanding and would not only look at price alone as a package for decision and selection.

**TABLE 4.6 PERCEPTION OF PACKAGES OFFERED**

Packages Offered	Number of Respondents	Percentage (%)
Customer Service	19	37.3
Product Features	18	35.3
Benefit & Cost	8	15.7
Atmospherics	6	11.8
Total	51	100

Source: from the researcher's field survey, April, 2013.

#### **4.2.5 Factors Influencing Customer Loyalty**

Out of the 51 total respondents interviewed, 2 said that atmospheric influence customer loyalty in the telecommunications industry, 18 of the respondents said that service quality influences customer loyalty, 5 of the respondents said that product features influence customer, whereas 27 out of the total respondents said that corporate image influence customer loyalty. The implication is that, corporate image best influences customer loyalty and followed by service quality and the rest in this category.

**TABLE 4.7 FACTORS INFLUENCING CUSTOMER LOYALTY**

Factors Influencing Customer Loyalty	Number of Respondents	Percentage (%)
Atmospherics	1	2
Service Quality	18	35.3
Product Features	5	9.8
Corporate Image	27	52.9
Total	51	100

Source: from the researcher's field survey, April, 2013.

#### **4.2.6 Factors Affecting Trust**

Out of the 51 total respondents interviewed, 4 said that atmospherics influence customer loyalty in the telecommunications industry, 21 of the respondents said that service quality influences customer loyalty, 2 of the respondents said that product features influence customer, whereas 24 out of the total respondents said that corporate image influence customer loyalty. The implication is that corporate image and service quality are the lead factors influencing the trust of the customer.

#### **4.2.7 Factors Enhancing Repeat Purchase & Referrals**

Under this category, 20 of the respondents said that, corporate image enhances repeat purchases and referrals. Another 20 of the respondents also said that service quality enhances repeat purchases and referrals, also 4 of the respondents said that product features enhance

repeat purchase and referrals, where as 7 of the total respondents also said that, atmospherics enhance repeat purchases and referrals by customers. This implies that, service quality and corporate image enhance repeat purchase and also referrals more than the other factors.

**TABLE 4.8 FACTORS ENHANCING REPEAT PURCHASE & REFERRALS**

Factors Enhancing Repeat Purchase & Referrals	Number of Respondents	Percentage (%)
Service Quality	20	39.2
Atmospherics	7	13.7
Corporate Image	20	39.2
Product Features	4	7
Total	51	100

Source: from the researcher's field survey, April, 2013.

#### **4.3 FACTORS INFLUENCING CUSTOMER RETENTION.**

Out of the 51 respondents of Ghana Telecom interviewed, 23 of them said that the total image of the company retains them more than any other factor, 17 out of the respondents said that service quality retains them , 6 of the respondents said that product features retains them while 5 of the total respondents said atmospherics retains them. This implies that, to ensure proper customer retention, there should be improvement in corporate image of the company; enhance the quality of services provided, improve product features and atmospherics.

**TABLE 4.9 FACTORS INFLUENCING CUSTOMER RETENTION.**

Factors Influencing Retention	Number of Respondents	Percentage (%)
Corporate Image	23	45.1
Service Quality	17	33.3
Product Features	6	11.8
Atmospherics	5	9.8
Total	51	100

Source: from the researcher's field survey, April, 2013.

#### **4.3.1 Respondents Total Satisfaction Derivative**

Out of the 51 respondents interviewed, 15 said that they derive satisfaction from corporate image, 19 said that they derive satisfaction from service quality, 10 of the respondents said that product features gives them satisfaction, Finally, 7 of the respondents said that their satisfaction is derived from atmospherics. The implication is that satisfaction of the respondents interviewed is largely based on service quality, corporate image, product features and atmospherics.

**TABLE 4.10 RESPONDENTS TOTAL SATISFACTION DERIVATIVE**

Factors Influencing Retention	Number of Respondents	Percentage (%)
Corporate Image	15	29.4
Service Quality	19	37.3
Product Features	10	19.6
Atmospherics	7	13.7
Total	51	100

Source: from the researcher's field survey, April, 2013.

#### **4.3.2: Summary of the Analysis of Data Collected**

The data were collected from 51 respondents or customers of the Ghana Telecom, now Vodafone Ghana. 11 out of the total respondents interviewed were internal customers of the company, including management. 40 external customers of the company were also interviewed. The questionnaire administered to them have been presented and analyzed below with response rates in percentages.

**TABLE 4.11 AVERAGE RESPONSE RATE OF ANALYSES OF DATA**

Headings	Number of Customers	Percentage (%)
Corporate Image	85	100
Service Quality	74	100
Product Features	25	100
Atmospherics	20	100
Total	204	400
Average	204/5	400/4
Answer	51	100

### Average Response Rate Chart

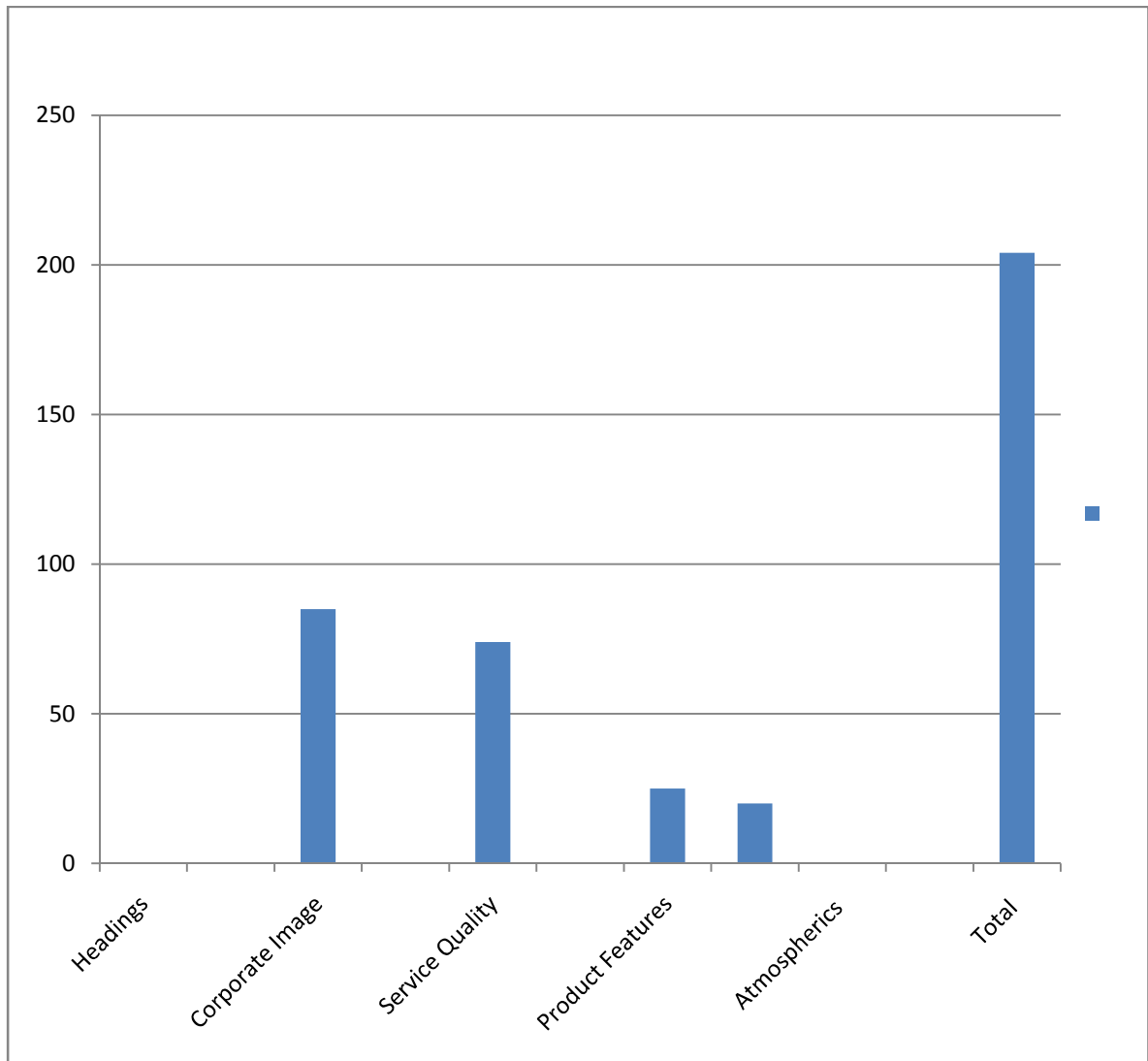


Fig 1

From the above table 4.3.2, 85 customers out of the various categories under factors that have influence or effect on customers' satisfaction, loyalty, trust, retention and repeat purchases has been collated generally for corporate image as the most factor, followed by service quality with 74 of the customers, 25 for product features and 20 for atmospherics. Because this study was conducted in the field rather than in the laboratory, individual subjects were not randomly assigned to each condition. The researchers employed questionnaire for data collection and the successive Fridays and Saturdays of the four week period of the study were randomly used. The potential for these results suggests that the various aspects of the factors



affect perceptions and behaviors differently. This implies that although product features and atmospherics have impact on customer satisfaction, corporate image and service quality have the most effect or impact on customer satisfaction. This claim is consistent with the recommendations below; marketers realized that to retain customers, and to support market growth, they must provide high quality of service (Dabholkar, Shephard & Thorpe, 2000; Zeithaml, 2002). It is said that service quality is an important antecedent of consumer assessment of value, which in turn influences customer satisfaction, which then motivates loyalty (Babakus & Boller, 1992).

#### **4.4 DISCUSSION**

Kotler (1973/74) coined and described Atmospherics as the various in – store dimensions and influence on consumer purchasing behavior. Others also focused on customer satisfaction, customer loyalty, customer retention, relationship marketing, advertising, branding and packaging and their contribution to marketing activities as it might increase sales.

The main objectives of this study were to determine the impact of service quality and corporate image on relationship quality namely trust and customer satisfaction in order to improve customer loyalty in service centers. Which of the various factor or dimensions really have impact on customer satisfaction.

The expectation of the research was that service quality and corporate image have impact on customer satisfaction. The following objectives were achieved;

- How service quality offered in Ghana Telecom will affect customer satisfaction, trust and customer loyalty.
- Exploration whether corporate image of Ghana Telecom will affect customer satisfaction, trust and loyalty.
- How satisfaction of the customer can increase the loyalty to the company.

- How trust can increase the loyalty to the company.

The research question was that,

- What is the perception of customer towards Ghana Telecom's service quality in terms of tangibility, reliability, responsiveness, assurance and empathy?
- Which of these factors influence customer satisfaction and trust?
- How can corporate image influence customer satisfaction and loyalty to Ghana Telecom?
- What is the impact of corporate image to customer satisfaction and trust?
- What are the factors that affect the relationship outcome?

The result was that corporate image and service quality have impact on customer satisfaction with corporate image leading the pack according to the field survey conducted. This is supportive of (Spreng and Machoy, 1996) service quality is considered very important indicator towards customer satisfaction. Service quality got popularity among professionals and academia due to increased competition. It contributes a lot to gain competitive advantage to maintain long-term relationship with customers (Zeithmal *et al.*2000). There are two perspectives regarding service quality i.e. one is European and other is Americans. European researchers concentrate on functional and technical aspects of services having a keen analysis of organization's image (Gronroos, 1982, 1984; Lehthinen and Lehthinen, 1982). They focus on three dimensions of service quality to measure the performance of any product by considering functional quality, technical quality and corporate image. Service quality is defined as a discrepancy between expected and perceived service. It is said that service quality is the outcome of customers' comparison between expectations and performance (Gronroos, 1982).

The Americans' perspective is concentration on functional quality to measure the performance of services (Parasuraman *et al.* 1985, 1988, 1991; Kang and James, 2004).

They investigated the service quality of different industries by dividing the service quality into five dimensions: tangibility, reliability, responsiveness, assurance and empathy. Firstly, they identified ten dimensions but finally service quality is refined to five dimensions (Parasuraman *et al.* 1985, 1991).

Service quality has its roots in the business and management field. Marketers realized that to retain customers, and to support market growth, they must provide high quality of service (Dabholkar, Shephard & Thorpe, 2000; Zeithaml, 2002). It is said that service quality is an important antecedent of consumer assessment of value, which in turn influences customer satisfaction, which then motivates loyalty (Babakus & Boller, 1992). There has been much debate as to what constitute service quality and how its measures can be operationalized in various service industries, yet no consensus has been reached (Chowdary & Prakash, 2007). The following section traces the development of the definition of *quality*, as it gears towards understanding service quality to form the basis of the conceptualization of this construct.

Business is a legal activity that is undertaken to earn a profit. Business activities can be divided into three categories i.e. manufacturing (conversion of inputs into outputs by a transformation process); trading (buying and selling of goods) and services (provision of benefits for reward or fee). Service is defined as a set of benefits delivered from a service provider to the service consumer. The service firm provides benefits (due to competency, skills, knowledge and experience etc.) to the customers for the sake of reward (fee, facilitate the customers).

Barich and Kotler (1991) describe corporate image as the overall impression made on the minds of the public about an organization. As broadly discussed in the previous literature, corporate image is not unique: a single firm possesses various images that differ according to a specific group, each of whom has different types of experiences and contacts with the company (Nguyen & Leblanc, 2001). Corporate image may be considered as 'a function of the accumulation of purchasing/consumption experience over time' (Andreassen & Lindestad, 1998, p. 84), or a function of the cumulative effect of customer (dis) satisfaction (Bolton & Drew, 1991; Fornell, 1992; Johnson & Fornell, 1991).

Nguyen and Leblanc (1998; 2001) claimed that corporate image is related to the physical and behavioral attributes of the firm, such as business name, architecture, variety of products/services, and to the impression of quality communicated by each person interacting with the firm's clients. A seller's reputation effects the perceptions of the quality of the products sold by that seller (Cabral, 2000) confirmed this hypothesis in his study of product stretching. Haque et al. (2006) depicted consumer familiarity and confidence significantly depend on brand of the products and a company's sales history. In general, familiarity is created when there are long sales history, strong brand images of a company and previous satisfaction of using the product (Coltman et al., 2000; Wen –Yeh et al., 2004). Confidence was also derived from consumers' attitudes that directly influence their purchasing intentions (Donnavieve & Sivakumar, 2002). According to Aydin and Zer (2005) corporate image, perceived service quality, trust and customer switching costs are the major antecedents of customer loyalty, and loyal customers may buy more, accept higher prices and have a positive word-of-mouth effect. Consequently, corporate image as an attitude must affect behavioral intentions such as customer loyalty (Johnson et al., 2001). Nguyen and Leblanc (2001) demonstrated that corporate image relates positively with customer loyalty in three sectors (telecommunication, retailing and education). Experience, based on the discrepancy

between prior expectation and the actual performance perceived after consumption (Yi, 1990). Lin and Chen (2006) explored that product knowledge and product involvement all has a significantly positive effect on consumer's purchase decision. Meanwhile product evaluations based on direct experience are strong predictors of behavior (Fazio & Zanna, 1978, 1981). Satisfaction is based on direct past experience; it is likely to be accessible and to affect behavioral intentions independent of other considerations.

Appropriately structured service quality and carefully designed corporate image acts on the nervous system like a key in a lock, activating the brain processes with a corresponding emotional reaction. This suggests that, proper manipulation of service quality and corporate image dimensions will delight customers and put them in a happier mood to patronize more products and services.

The researcher found out that those telecommunication owners, management or operators should devote much attention to satisfying their customers better than competitors do.

## **CHAPTER FIVE**

### **SUMMARY OF MAIN FINDINGS, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.0 INTRODUCTION**

This chapter presents the main findings, conclusions and recommendations. The main objectives of this study are to determine the impact of service quality and corporate image on relationship quality namely trust, customer loyalty and customer satisfaction in order to improve customer loyalty in service centers. This chapter is concerned with the interpretation of the data analyzed and the presentation of the findings, summary of main findings, discussions, conclusions and recommendations. Among the 51 respondents of Ghana Telecom/Vodafone Ghana, comprising of 40 external customers and 11 internal customers (3 management members) interviewed, an average of 41.7% said that corporate image induces greater customer satisfaction, 36.2% also said that service quality induces customer satisfaction. Aside this, an average of 12.3% of the respondents said that product features induces customer satisfaction while 9.8% of the average respondents remaining said that atmospherics induces customer service. Barich and Kotler (1991) describe corporate image as the overall impression made on the minds of the public about an organization. As broadly discussed in the previous literature, corporate image is not unique: a single firm possesses various images that differ according to a specific group, each of whom has different types of experiences and contacts with the company (Nguyen & Leblanc, 2001). Corporate image may be considered as ‘a function of the accumulation of purchasing/consumption experience over time’ (Andreassen & Lindestad, 1998, p. 84), or a function of the cumulative effect of customer (dis) satisfaction (Bolton & Drew, 1991; Fornell, 1992; Johnson & Fornell, 1991).

Nguyen and Leblanc (1998; 2001) claimed that corporate image is related to the physical and behavioral attributes of the firm, such as business name, architecture, variety of products/services, and to the impression of quality communicated by each person interacting with the firm's clients. A seller's reputation effects the perceptions of the quality of the products sold by that seller (Cabral, 2000) confirmed this hypothesis in his study of product stretching. Haque et al. (2006) depicted consumer familiarity and confidence significantly depend on brand of the products and a company's sales history. In general, familiarity is created when there are long sales history, strong brand images of a company and previous satisfaction of using the product (Coltman et al., 2000; Wen –Yeh et al., 2004).

## **5.1 SUMMARY OF MAIN FINDINGS**

In view of the discussions above, the following findings were made;

- The manipulation of the service quality and corporate image variables kept the patrons or customers in a happier and satisfied mood to spend and stay long.
- Corporate image is related to the physical and behavioral attributes of the firm, such as business name, architecture, variety of products/services, and to the impression of quality communicated by each person interacting with the firm's clients.
- Corporate image as an attitude must affect behavioral intentions such as customer loyalty.
- The service firm provides benefits (due to competency, skills, knowledge and experience etc.) to the customers for the sake of reward (fee, facilitate the customers).
- Service quality is an important antecedent of consumer assessment of value, which in turn influences customer satisfaction, which then motivates loyalty.
- Majority of the respondents prefer enhanced service quality and corporate image to product benefits and atmospherics.

- The different dimensions of the factors used affect perceptions and behavior different.
- Service quality and corporate image have impact on customer satisfaction.
- Service quality makes patrons or customers feel more excited and relaxed within the halls of Ghana Telecom/Vodafone Ghana.
- Findings from the goods and service sector indicate that corporate image has a significant but indirect impact on customer loyalty. In conclusion, the authors claim that customer loyalty is driven both by disconfirmation of expectations and corporate image.

## **5.2 CONCLUSION**

The objective of this study was to determine the impact of service quality and corporate image on relationship quality namely trust, customer loyalty and customer satisfaction in order to improve customer loyalty in service centers. To find out how trust can increase the loyalty to the company. From the data presented and analyzed, the results were that, corporate image has impact on relationship quality. Another finding too is that service quality also has impact on relationship quality. The researcher also out that, the promptness and precision of the manipulation of the service quality and corporate image variables kept the patrons or customers in a happier and satisfied mood to spend and stay longer at the facility. The major result is that corporate image has immense influence and impact on relationship quality.

Though the study did not directly test formal hypothesis, the results offer support for the following; it is more difficult for customers to evaluate service quality than goods quality. In the service marketing literature, service quality is defined as the consumer's judgment about the entity's overall excellence or superiority (Zeithaml, 1987). Customers do not evaluate service quality solely on the outcome of a service but they also consider the process of



service delivery. The mistrust of big companies is obvious for all to see. Investors and consumers are increasingly making decision based on longer-term issues linked to a company's capacity to contribute to a sustainable future (Johns, 2003). Image of the corporate companies are important to attract and influence more people to buy their products or services. From the findings, patronage will reduce drastically without service quality and corporate image which will have effects on sales and profitability.

### **5.3 RECOMMENDATIONS**

The following recommendations were made based on the findings above;

- Ghana Telecom/Vodafone's office should be more visible and closer to the doorstep of customers.
- Future researchers should use larger sample size so as to ensure generalization to the entire population.
- Also, causal studies should be embarked by researchers to determine the direction of relationship between service quality, corporate image and customer satisfaction. This will ensure that other variables are not also affecting sales but service quality corporate image when appropriately applied.
- There atmospherics, within and around the facilities should always be inviting and serene in order to attract customer retention and long waiting times at the facilities.
- Staff should be diligent in handling customer complaints and perceived difficult customers, however, the customer services units must be more responsive and reliable.
- A lot of emphasis and resources should be concentrated on the strengths and efficiencies of the company in order to have competitive edge.
- Attention should be paid to the company's corporate social responsibilities.

## REFERENCE

Aufl. (September 2008)

Alina Wheeler, *Designing brand identity. A complete guide to creating, building, and maintaining strong brands*, 2nd ed. New York, Wiley, 2006. With bibl., index. ISBN 0-471-74684-3

Antecedents and Consequences,” *Journal of Retailing*, 66 (Summer), 201-21.

Balmer, J.M.T., & Gray, E.R., (2000). Corporate identity and corporate communications: creating a competitive advantage. *Industrial and Commercial Training*, 32 (7), pp. 256–262.

Balmer, John M. T. & Greyser, Stephen A. eds. (2003), *Revealing the Corporation: Perspectives on identity, image, reputation, corporate branding, and corporate-level marketing*, London, Routledge, ISBN 0-415-28421-X.

Bromley, D.B., (2001). Relationships between personal and corporate reputation,

Brown, Jared & A. Miller, (1998). What Logos Do and How They Do It. pp. 6-7.

Birkigt, K., & Stadler, M.M., (1986). *Corporate identity. Grundlagen, Funktionen, Fallbeispiele*. [Corporate identity. Foundation, functions, case descriptions]. Landsberg am Lech: Verlag Moderne Industrie.

Bromley, D.B., (2001). Relationships between personal and corporate reputation, *European Journal of Marketing*, 35 (3/4), pp. 316–334.

Brown, Jared & A. Miller, (1998). What Logos Do and How They Do It. pp. 6-7.  
*Business Today*, 7–21 January 1995.

Chouliaraki, Lilie & M. Morsing. (2010) *Media, Organizations and Identity*. pp. 95

Corporate identity. Foundation, functions, case descriptions]. Landsberg am Lech: Verlag Moderne Industrie.

Chouliaraki, Lilie & M. Morsing. (2010) *Media, Organizations and Identity*. pp. 95

*Corporate Communications: An International Journal*, 4 (4), pp. 200–207.

*Corporate Communications: An International Journal*, 5 (1), pp. 49–58.

Crosby, P.B. *Quality Is Free*, New York, McGraw Hill, 1983.

- Du Gay, P., (2000). Markets and meanings: re-imagining organizational life. In: M. Schultz, Dutton, J.E., Dukerich, J.M., & Harquail, C.V., (1994). Organizational images and member
- Dowling, G.R., (1993). Developing your company image into a corporate asset. Long Range
- Eroglu, Sergin A. and Karen A. Machleit (1990), "An Empirical Study of Retail Crowding: Gabriel Schneider, Ingrid K Geiger ve Johannes Scheuring. Prozess- und Qualitätsmanagement: Grundlagen der Prozessgestaltung und Qualitätsverbesserung mit zahlreichen Beispielen,
- Garvin, D.A. *Managing Quality: The Strategic and Competitive Edge*, New York, The Free Press, 1988.
- Holbrook, M.B. and K.P. Corfman. "Quality and Value in Consumption Experience: Phaedrus Identification. *Administrative Science Quarterly*, 39 (2), pp. 239–263. *Journal of Marketing*, 44 (Fall), 68-72.
- Jean Harvey, "Service quality: a tutorial", *Journal of Operations Management*, 1998, No. 16, pp.583–597
- Lewis and Booms (1983) *ASQ The Global voice of Quality*.
- M.J. Hatch, & M.H. Larsen, (Eds.). *The expressive organisation: linking identity, reputation and the corporate brand* (pp. 66–74). Oxford: Oxford University Press.
- Olins, W., (1989). *Corporate identity: making business strategy visible through design*. London:
- Repetitionsfragen und Antworten German, s. 194 Verlag: Compendio Bildungsmedien; Auflage: Parasuraman, Zeithaml and Berry (1985)
- Parasuraman, Zeithaml and Berry (1988)
- Planning, 26 (2), pp. 101–109.
- Persig, R.M. *Zen and the Art of Motorcycle Maintenance*, London, Bantam Books, 1987.
- Parasuraman, A., V.A. Zeithaml, and L.L. Berry. "A Conceptual Model of Service Quality and Its Implications for Future Research", *Journal of Marketing*, Vol. 49, 1985, pp. 84–106.
- Peter Kenzelmann. *Kundenbindung German*, 3. Auflage, Berlin: Cornelsen Verlag Skriptor GmbH & Co KG 2008

Retrieved from: “Customer Satisfaction Measurement.”

Rides Again” in *Perceived Quality: How Consumers View Stores and Merchandise* by J. Jacoby and J.C. Olson (Eds.), Lexington, MA, D.C. Heath, 1985, pp. 39–40.

Rowden, Mark, (2000) *The Art of Identity: Creating and Managing a successful corporate identity*. Gower. ISBN 0-566-08318-3

Rowden, Mark, (2004) *Identity: Transforming Performance through Integrated Identity Management*. Gower. ISBN 978-0-566-08618-2

Steenkamp, J.B.E.M. *Product Quality: An Investigation into the concept and How it is Perceived by Consumers*, Assen, Maastricht, The Netherlands, Van Gorcum, 1989.

Schultz, M., Hatch, M.J., & Larsen, M., (2000). *The expressive organisation: linking identity, reputation and the corporate brand*. Oxford: Oxford University Press.

Stuart, H, (1999). *Towards a definitive model of the corporate identity management process*, Van den Bosch, A.L.M., (2005). *Corporate Visual Identity Management: current practices, impact and assessment*.

Van den Bosch, A.L.M., (2005). *Corporate Visual Identity Management: current practices, impact and assessment*. Doctoral dissertation, University of Twente, Enschede, The Netherlands.

Van den Bosch, A.L.M., De Jong, M.D.T., & Elving, W.J.L., (2005). *How corporate visual identity supports reputation*. *Corporate Communications: An International Journal*, 10 (2), pp. 108–116.

Van Riel, C.B.M., (1995). *Principles of corporate communication*. London: Prentice Hall.

Veronica Napoles, *Corporate identity design*. New York, Wiley, 1988. With bibl., index. ISBN 0-471-28947-7

Vikas Mittal; Carly Frennea (2010). "Customer Satisfaction: A Strategic Review and Guidelines for Managers." *Marketing Science Institute: MSI Fast Forward* (10-701)

**APPENDIX**

**CHRISTIAN SERVICE UNIVERSITY COLLEGE (CSUC)**

**DEPARTMENT OF MARKETING**

**QUESTIONNAIRE FOR CUSTOMERS**

**TOPIC: THE IMPACT OF CORPORATE IMAGE AND SERVICE QUALITY ON  
CUSTOMER LOYALTY.**

This questionnaire below is designed for academic work for the purpose of the study and in accordance with the research objectives. The confidentiality of all information provided will be assured.

**PERSONAL INFORMATION**

(Please tick the appropriate box and fill the space where appropriate)

1. Gender

Male

Female

2. Age

18 - 29

30 - 45

45 and above

3. Marital Status

Married

Single

Divorced

4. Number of Children .....

5. Are you newly married?

Yes

No

6. Are you old couples still in labor force with children living independently?

Yes

No

7. Are you married couples living with dependent children?

Yes

8. Are you single and living away from your parents?

Yes

No

9. Occupation

Civil Servant

Student

Trader

Other (Specify) .....

10. Income levels (optional)

High

Medium

Lo

**SECTION B**

**Product Background**

1. How long have you used Ghana Telecom product(s)? .....

2. Which product(s) do you normally use?

Chip

Phone

Router

Modem

Transfer

Mobile Money

3. Why was the product purchased?

Personal Use

At Someone's Request

Gift

Family Use

Business Use

Other Specify.....

4. How does the product(s) price compare to your expectation?

Excellent

Very Good

Good

Poor



5. How would you rate the overall value of the product(s) purchased?

Very High       High       Very Low       Low

**Service Quality**

1. The customer service representative was very courteous

Strongly Agree       Agree       Disagree       Strongly Disagree

2. The customer service representative handled my call quickly.

Strongly Agree       Agree       Disagree       Strongly Disagree

3. The customer service representative was very knowledgeable.

Strongly Agree       Agree       Disagree       Strongly Disagree

4. The waiting time for having my questions addressed was satisfactory.

Strongly Disagree       Disagree   
Strongly Agree       Agree

5. What qualities of the customer service representative displeased you?

Not Patient       Not Enthusiastic       Unfriendly   
Unresponsive       No Qualities displeased Me       Other.....

6. Which of the following qualities of the customer service representative stood out?

Patient       Enthusiastic       Listened Carefully

Responsive       Friendly       Other.....

7. Considering the total package offered by including customer service, product features, benefits and cost, how satisfied are you with Ghana Telecom?

Very Poor       Poor       Satisfactory

Very Satisfactory       Superior       Other.....

8. In evaluating your most recent customer service experience, what was the quality of service you received?

Very Poor       Poor       Satisfactory

Very Satisfactory       Superior

Other.....

9. Are there any other comments about the quality of service that you would like to add?

10.

**Corporate Image**

1. What few adjectives can you use to describe the company's logo/identity?

1..... 2..... 3.....  
4..... 5..... 6. None

2. Do you think that Ghana Telecom currently distinguishes itself from competition?

YES  No  Does Not Know

3. How does Ghana Telecom differentiates its identity from competitors?

.....

4. Do you have any problems with the privatization of Ghana Telecom?

YES  No  No Comment

5. What is the perceived image of Ghana Telecom before and after privatization?

.....

6. The image of a company has direct influence on its customers.

Strongly Agree  Agree  Disagree

Strongly Disagree

Other.....

7. Do you think that the current logo of Ghana Telecom promotes a favourable image of the company?

Yes

No

No Comment

8. What specific areas of Ghana Telecoms identity do you feel are successful?

9. Why are they successful?

.....  
.....

10. What advice would you give to management of Ghana Telecom concerning the company's corporate image?

.....  
.....  
.....  
.....



6. Would you like to recommend the company and its products to friends and family alike?

YES  No  No Comment

7. Over the next 12 months, how likely are you to replace your product with another company's product?

Certain  High Chance  Equal Chance   
Never  Low Chance  Reserved

8. Do you receive proper "after sale service" from Ghana Telecom?

YES  No  No Comment

9. How would you describe the level of your switching cost from Ghana Telecom?

Very High  High  Low  Very Low

**APPENDIX II**

**CHRISTIAN SERVICE UNIVERSITY COLLEGE (CSUC)**

**DEPARTMENT OF MARKETING**

**QUESTIONNAIRE FOR MANAGEMENT & STAFF**

Name:

Position Held:

Mobile Phone:

Email:

Fax:

1. How is your brand perceived by your target audience?

.....  
.....  
.....

2. How do you want your brand to be perceived by your target audience?

.....  
.....

3. Within your industry, which is the most well regarded company/organization?

.....  
.....

4. Are you satisfied with your company's market share and profitability levels?

Yes  No  No Comment

5. What aspect of your image needs improvement?

.....  
.....  
.....

6. How is your image registering in the minds of your target audience?

Very Well	<input type="checkbox"/>	Very Slow	<input type="checkbox"/>
Well	<input type="checkbox"/>	Slow	<input type="checkbox"/>

7. What are the key reasons why the customer chooses your company's product's and/ or services?

.....  
.....  
.....

8. How does this company value or perceive its customer?

.....

9. Is there any reward scheme for loyal customers?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	No Comment	<input type="checkbox"/>
-----	--------------------------	----	--------------------------	------------	--------------------------



10. Give reason(s) to your answer in 9 above.

.....

.....

.....

.....

.....

11. How are customer complaints handled?

.....

.....

.....

12. How does the company manages customer information?

Very Confidential	<input type="checkbox"/>	Confidential	<input type="checkbox"/>
Less Confidential	<input type="checkbox"/>	Not Confidential	<input type="checkbox"/>