

# **CUSTOMER SATISFACTION AND TRUST RELATIONSHIP**

**(A Case Study of Uganda Telecom)**

**A DISSERTATION SUBMITTED AS A REQUIREMENT IN  
PARTIAL FULFILMENT AND AWARD OF A BACHELORS'  
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BY

KIGOZI UMAR

**REG.NO. BIB/7545/51/DU**


**SUPERVISOR: MR. TIMBIRIMU MICHEAL  
KAMPALA INTERNATIONAL UNIVERSITY**



## DECLARATION

I, Kigozi Umar hereby declare that this dissertation is my own original work and that all sources have been accurately reported and acknowledged, and that this document has not previously in its entirety or in part been submitted at any other university or institution in order to obtain an academic qualification.

It is in this regard that I declare this work originally mine, and hereby present it in partial fulfillment of the requirement for the award of the degree of Bachelor of International Business Administration (BIBA), at Kampala International University - Uganda

Sign.....

Kigozi Umar (Researcher)

Date.....02/08/2008

Sign.....

Approved: Mr. Timbirimu Micheal (Supervisor)

Date.....2/09/08

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## **DEDICATION**

I dedicate this research to the following people:-

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- My brothers and sisters.
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- Last but not the least, the almighty god for giving me life, knowledge, wisdom and opportunity to serve humanity.

## **LIST OF ACLYNOMS**

<b>UTL</b>	<b>Uganda Telecom Limited</b>
<b>MTN</b>	<b>Mobile Telephone Network</b>
<b>CLV</b>	<b>Customer Lifetime Value</b>
<b>ROI</b>	<b>Return On Investment</b>
<b>ADSL</b>	<b>Asymmetric Digital Subscriber Line</b>
<b>ISDN</b>	<b>Integrated Service Digital Network</b>
<b>UT</b>	<b>Uganda Telecom</b>
<b>HBR</b>	<b>Harvard Business Research</b>
<b>SME</b>	<b>Small Enterprise</b>
<b>SMS</b>	<b>Short Message Service</b>
<b>USA</b>	<b>United States of America</b>
<b>UGX</b>	<b>Uganda shillings</b>
<b>UK</b>	<b>United Kingdom</b>

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## ABSTRACT

Customer satisfaction and trust relationship are not new topics, but the advent of technology based solutions has enabled companies to deal better on an individual level and more efficiently with their large customer base. Seeing the benefits of this competitive advantage, many companies have implemented a customer satisfaction solution but with the result that many of them have failed to be successful. The problem is that these companies often do not know why they were not successful and other companies will make the same mistakes if these failures are not recognized.

There is a great deal of literature and research analyzing this phenomenon but they all focus mainly on detailed customer relationship issues and how they could be performed better. They do not take into account that customer relationship is a complex topic and that many reasons for failure interact with each other. Based on the need of many companies to implement customer relationship, the goal of this research is to provide a customer relationship insight perspective and a strategy to implement customer relationship as well as trust more successfully.

In contrast to existing customer relationship research, this study investigates the reasons for customer relationship failure basing on Uganda Telecom as a case study and explains why there is a threat to the success of a customer relationship implementation. Here, I determined the danger of every risk based of the likelihood of appearance and its potential to fail the complete customer relationship solution. Still the study identifies when these risks are most likely to appear for the first time during a customer relationship project life cycle. Last but not the least the study examines all relationships between customer satisfaction risks and trust relationship and how they influence each other.

It is concluded that every customer relationship implementation approaches will fail to be successful when problems are only addressed once they become visible. It is not possible to solve every customer relationship problem at the moment it appears. Many issues during the implementation of customer relationship have to be met before they become a problem because they influence each other and lead to barriers that could result in a complete customer relationship failure.

Based on this perception and the research findings, this study develops a customer relationship strategy framework including a systematic customer relationship perspective for businesses.



## **DEFINITION OF OPERATIONAL TERMS**

**Trust:** The act of having confidence in one party by the other.

**Satisfaction:** Fulfillment of a need or want

**A customer:** A person who buys and/or uses goods and services of an organization. They are those people who enable the business to exist.

**H.B.R:** Harvard Business Review

**Trust defect:** is any thing that detracts from the trust a customer feels for an organization's products and its providers.

**Total trust:** is the belief that a company and its people would never take opportunistic advantage of customer vulnerabilities

# CHAPTER ONE

## BACKGROUND OF THE STUDY

### 1.0 Introduction

Practically every company today is geared up to satisfy its customers. "We do whatever it takes to satisfy our customers!" is the refrain. But, does customer satisfaction go far? There is, in fact, a wide gap between how most companies think about measuring customer satisfaction and what their most satisfied customers feel. Customer loyalty has been put forth as the bridge that spans this gap, capturing long-term relationship elements that provide a more complete picture of customers' feelings.

However, loyalty traditionally has been defined in terms of its consequences: repurchase intent, inferred intent, share of purchases and actual repurchase. While the measures are indicators of loyalty, they do not answer the question, "what is customer loyalty and how is it created?" To leapfrog competitors, companies must go beyond customer delight and what benchmarking studies define as world-class standards, raising the bar to a visionary level that the authors define as "total trust," conceptually similar to "total quality". The performance standard is zero "trust defects".

#### 1.0.1 Customer:

Most of today's businesses have realized that a change in dealing with customers is needed. The times when a company knew all customers individually including their life history, earnings and future plans are over. The customer's buying behaviour has changed and the small store "around the corner" that have personal relationship between the owner and the customers are getting fewer and fewer. As the companies get larger and more complex, they become more inward looking as they try to cope with their internal issues. Often, the customers are neglected. With customer relationship management, one goal is to make the individual customer become more important at an acceptable cost to the company.

### **1.0.2 Customer satisfaction.**

Which products and services can be used to obtain a high level of customer satisfaction? Which product features have a more than proportional influence on satisfaction, and which attributes are an absolute must in the eyes of the customer?

So far customer satisfaction was mostly seen as a one-dimensional construction - the higher the perceived product quality, the higher the customer's satisfaction and vice versa. But fulfilling the individual product requirements to a great extent does not necessarily imply a high level of customer satisfaction. It is also the type of requirement which defines the perceived product quality and thus customer satisfaction

### **1.0.3 Trust- Overview**

The phenomenon of trust has been extensively explored by a variety of disciplines across the social sciences, including economics, social psychology, and political science. The breadth of this literature offers rich insight, and this is noted in the common elements that appear in the definition of trust.

For example, Rousseau and her colleagues offer the following definition: "Trust is a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another." [1] Similarly, Lewicki and his colleagues describe trust as "an individual's belief in, and willingness to act on the basis of, the words, actions, and decisions of another." [2]

The need for trust arises from our *interdependence* with others. We often depend on other people to help us obtain, or at least not to frustrate, the outcomes we value (and they on us). As our interests with others are intertwined, we also must recognize that there is an element of *risk* involved insofar as we often encounter situations in which we cannot compel the cooperation we seek. Therefore, trust can be very valuable in social interactions.

### **1.0.4 Building Trust in a Relationship**

Trust is the foundation for intimate, secure and successful relationships. It must be earned and maintained with consistent actions. But building trust and feeling like your partner is trustworthy is not always easy for those who have had their trust betrayed. Once your trust

has been violated, it's difficult to make it viable in your relationship again. Find out the steps you can take to put trust back in your relationship. And take the quiz to find out if jealousy is ruining your love life...

Trust has to be a living, breathing entity in order for a relationship to survive. This applies to romantic relationships, family relationships and friendships. So when your trust is violated, how do you overcome that and restore trust in a relationship? If you have the desire to try rebuilding trust in a relationship again or just learn to trust again in general, we have some steps you can take to get you there.

Children learn how to build trust in a relationship with their parents or caretakers early in their development. If parents are consistent in responding to their child's needs, then that child will learn to trust them and their environment. As a child gets older, trust takes on a different form because children can process why they trust and why they don't. It's especially important for children to grow up in a trusting environment so that they learn how important trust is. This knowledge carries over in their attitude toward the world and all of their future relationships.

#### **1.0.5 Individual propensity to trust**

Personality theorists have developed one of the oldest theoretical perspectives on trust, and argued that some people are more likely to trust than others. Viewed as a fairly stable trait over time, trust is regarded as a generalized expectancy that other people can be relied on. This expectancy is a function of the degree to which trust has been honored in that individual's history of prior social interactions, and may have its most pronounced effect in novel or ambiguous situations. While this expectancy shapes perceptions of the character of people in general, more recent work has identified the characteristics of trustees that allow for the formation of trust and its growth to higher levels.

#### **1.0.6 Dimensions of trustworthy behavior**

Our trust in another individual can be grounded in our evaluation of his/her ability, integrity, and benevolence. That is, the more we observe these characteristics in another person, our level of trust in that person is likely to grow.

- *Ability* refers to an assessment of the other's knowledge, skill, or competency. This dimension recognizes that trust requires some sense that the other is able to perform in a manner that meets our expectations.
- *Integrity* is the degree to which the trustee adheres to principles that are acceptable to the trustor. This dimension leads to trust based on consistency of past actions, credibility of communication, commitment to standards of fairness, and the congruence of the other's word and deed.
- *Benevolence* is our assessment that the trusted individual is concerned enough about our welfare to either advance our interests, or at least not impede them. The other's perceived intentions or motives of the trustee are most central. Honest and open communication, delegating decisions, and sharing control indicate evidence of one's benevolence.

Although these three dimensions are likely to be linked to each other, they each contribute separately to influence the level of trust in another within a relationship. However, ability and integrity are likely to be most influential early in a relationship, as information on one's benevolence needs more time to emerge. The effect of benevolence will increase as the relationship between the parties grows closer. The next section describes trust development in relationships in more detail.

### **1.1 Relevance of the study.**

“Every day that goes by in which you have dissatisfied clients in your company, you are working hard to put yourself out of business”. You could have heard a pin drop. There is still a wide gap between how most companies think about and how to measure what most of their customers feel about the products provided to them. Hidden in this gap is a major competitive opportunity-one that only a few leading companies have discovered and capitalized on them to be a step ahead of others. Therefore, it is important to get an objective perspective to understand the reasons why so many customers are not pleased with their organizations. It is less important to know how many organizations fail, but rather more essential to know how to avoid a failure.

## **1.2 Research problem.**

The specific research problem that was investigated in this study concentrated on the contradiction that the main problem for the failure of an organization are not always visible. Many reasons for failure appear but the main explanation for breakdown is often unknown. Customer relationship is such a complex topic that the interaction processes of many reasons for failure are not predictable. The goal of this research was to analyze all major reasons for failure as well as the interaction of these problems. This knowledge was used to create a framework including a timeline that led to a successful customer relationship system.

## **1.3 Objectives of the study**

The objectives of the study were:

- To establish the relationship that exists between a company's trust and customer satisfaction.
- To identify some of the barriers to a trust-based organization.
- To identify ways of averting and/or managing the barriers to total trust of an organization.

## **1.4 Research questions**

- What is the relationship that exists between a company's trust and customer satisfaction?
- What are some of the barriers to a trust-based organization?
- What are some of the ways of averting and/or managing the barriers to a total trust based organization?

## **1.5 Area, scope, and time of study**

The study was confined to investigations on how a company's trust drastically affects customer satisfaction.

The research was carried out at Uganda Telecom head offices located at Rwenzori courts, plot 2 and 4A Nakasero Road, Kampala-Uganda.

Literature to guide the researcher was collected from the management of Uganda Telecom, relevant text books, journals, reports, brochures, as well as Websites ([www.utl.co.ug](http://www.utl.co.ug))

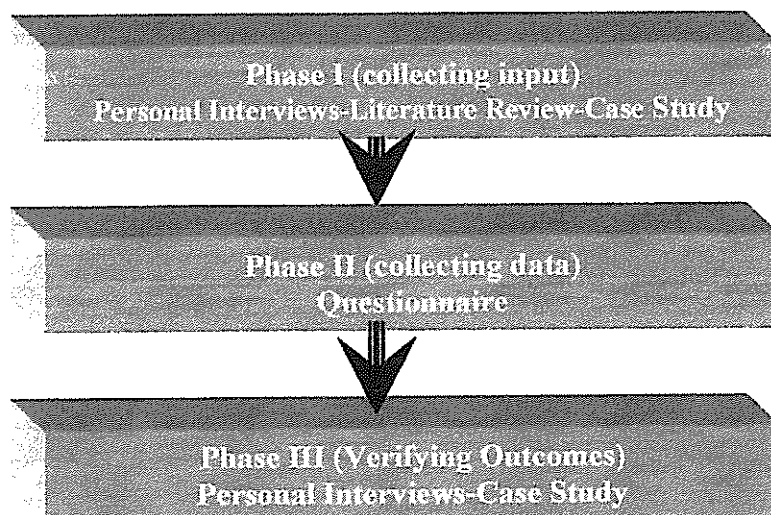
The study involved all levels of management and employees of different departments in Uganda Telecom. The duration of the study is expected to cover a period of not more than four months.

### 1.6 Research methodology.

This study included three consecutive phases of research. The first phase collected information to provide a basis for a questionnaire, which was applied in the second phase. The purpose of the third phase was to validate the outcomes of the questionnaire. Figure 1.2 summarizes the research methodology of this study.

Phase 1 included the following three ways to collect input to get an understanding of different problems that could cause a customer relationship solution to fail:

- Personal interviews with the customer care manager(s) at Uganda Telecom, the marketing and sales department and the end users (customers).
- A literature review of books, magazines, newspapers and research reports.



**Figure 1: Research methodology**

Phase 2 was a survey to collect data that was based on the findings in the previous phase. The goal was to get information on how negative a certain problem can be to a customer relationship solution, in what timely order it appears and how it is influenced by others.

The target group of this survey covered 50 members among which involved members from all levels of management and employees of different departments in Uganda Telecom whose task was to fill the questionnaires.

Phase 3 involved double-checking the outcomes of the survey. This time the interviewees were not asked to give input, instead they were confronted with the results of the research to find out if they could relate to the outcomes. In addition, the case study was analyzed in order to implement the customer relationship and to round off the new findings. The interviewees were randomly selected to give relevant information to the study.

### **1.7 A Brief History of Uganda Telecom**

Since the introduction of mobile telephony in Uganda in 1995, the tide is changing. With two national telecom operators, one cellular telecom operator and two more to be launched later this year, the fight for the telecom market is not just getting bizarre but interesting.

In the recent survey by Hallmark Events and Promotions, findings reveal that the two giant telecoms MTN and Uganda telecom run neck to neck in the fight for the share of the market, which also means that they have the most subscribers on their respective networks.

The survey also reveals that of the two giants, Uganda telecom is the fastest growing owing to the fact that it is doing a lot to perfect its network coverage but above all, offering its services and products to subscribers at affordable rates.

However, with the expiry of the duopoly a market situation that authorized only two national operators to offer full board telecom services, telecom organizations have laid focus on extending services to the rural. Initially, the rural market was underestimated and underserved yet each service providers had an obligation to extend services there. On pulling the plug on duopoly and the announcement that more service providers were free to join the market, the existing telecoms have been running the race of extending services to



the rural through network installation efforts and also perfecting services where network exists. Price wars have also characterized the fight for the precious subscriber. Road show promotions as a new form of experiential marketing have become common as the most effective below-the-line mode of communication.

Another dimension that has added to the flavour of the rush for the market is the focus on the East and central African regional market spearheaded by Celtel. With just cellular operator status Celtel has set the trend and the two national operators - Uganda telecom and MTN have followed suit. This means that whether Celtel subscribers are in Kenya, Tanzania or Uganda, they can still enjoy the same rates.

The Hallmark survey confirms that the most crucial factors that influence subscription or choice of a service provider in Uganda are Network Coverage, Affordability of Services and products and Value Added Services. Of late, the three attributes have come in some considerable proportions.

Network coverage in this case refers to how available, reliable and stable the signal of a particular service provider is. A key observation is that since service providers started improving and perfecting their respective networks, the avid desire for subscribers to switch from one network to another so easily has reduced.

In the past, subscribers were in the habit of either switching networks or carrying more than one phone. Any visitor to Uganda would find this bizarre but carrying two or even three phones was more to do with catching the elusive network, to stay connected and to stay in touch. In Uganda, different service providers may have different strengths and weaknesses in network coverage. But because communication has become a crucial ingredient in the day to day operations or dealings of the people, subscribers endure the habit of carrying more than one phone, with each connected to a different network.

### **1.8 Vision of Uganda Telecom**

"A new exciting experience in communication."

### **1.8.1 Values of Uganda Telecom**

- Professional
- Performance
- Teamwork
- Caring
- Creative

### **1.8.2 Some of the products currently offered by Uganda Telecom are:**

- ADSL & ISDN Broadband Services;
- The disaster recovery services;
- Business Continuity Services;
- Storage Solutions for SME and Enterprise Customers;
- Various value-added services around our mobile brand UT, and also on landline and data products.

### **1.8.3 Achievements of Uganda Telecom**

In line with our corporate objectives, Uganda Telecom is actively taking part in improving the quality of life for the local communities. In April, the Uganda Society for the Disabled Children was facilitated with 4,000,000/= for those unfortunate children affected by the insurgency in Northern Uganda.

In December 2003, Mango went on a countrywide campaign to highlight the need to make our roads safer for all. The initiative started with kilometre markers on the Kampala-Kabale road: for example.

**"DO NOT DRINK AND DRIVE", "CONCENTRATE WHILE DRIVING".**

Uganda Telecom has launched two new exciting profiles in the market. **"Mango Jazz and Mango Xtra."**

Mango Xtra offers one great rate across 90% of the mobile and landline market in Uganda. You can talk longer for as long as 320/- during peak and 280/- off peak times. Mango Jazz is

most suited for the vibrant and energetic youth market who are heavy users of SMS and require preferential rates in the evenings.

Customers can Jazz for as low as 133/- and send an SMS for 80/-The seed packs cost 2,000/- and comes with 1,000/- FREE airtime and 40 FREE SMS. The seed pack for this offer is available at all Uganda Telecom Customer Care Centres and chosen outlets countrywide.

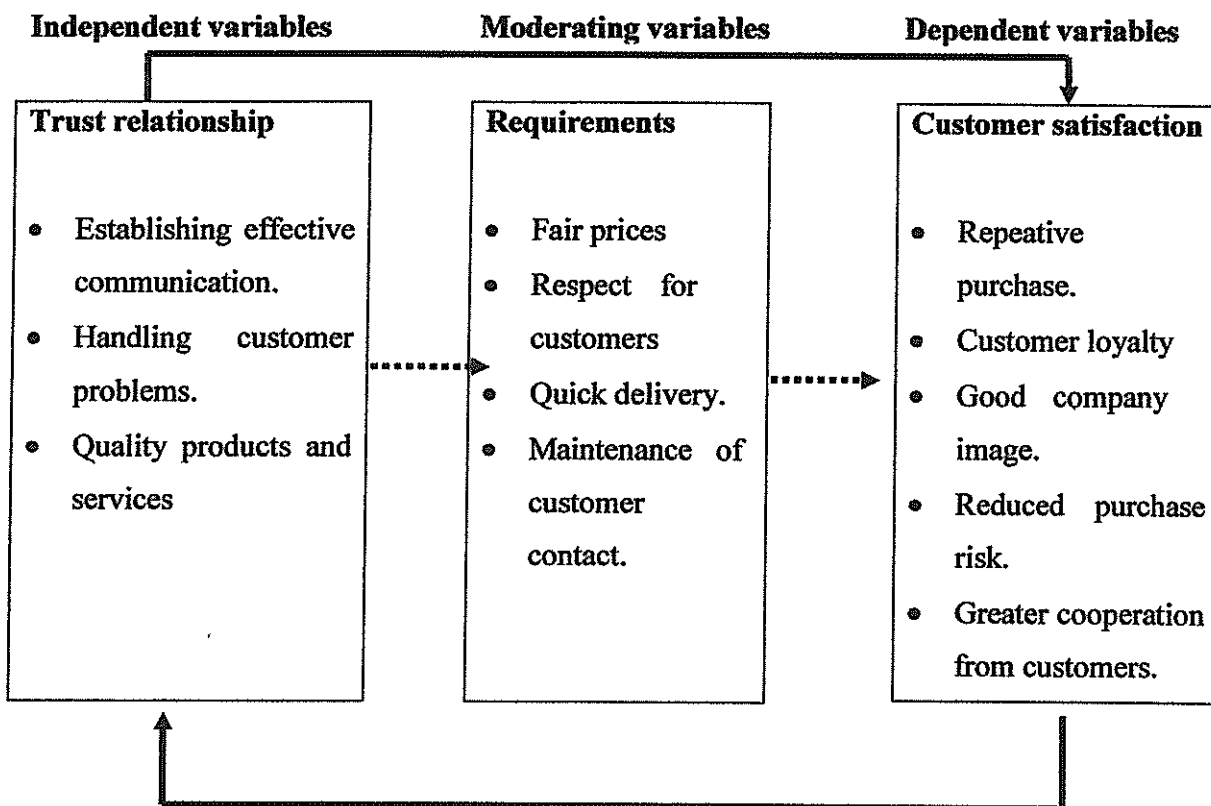
Thus we are offering our customers choices as to how they want to manage their communication costs and be with the company that is most understanding of them and their individual needs. These 2 new profiles add to our already existing portfolio of: Mango Standard, Mango Business, Bulk SMS and Family & Friends.

Uganda telecom has introduced flexicard, a new innovation for the telecommunications market. Flexicard, the first of its kind in the East African region is a calling card that can be used on any Uganda telecom mobile or landline. Flexicard is a Pre-paid calling card that comes in denominations of 5,000, 10,000 or 20,000. You can use this card for both local and international calls. You can save up to 30% on long distance calls until the card is used up.

These prepaid calling cards are your best choice for long distance savings! It affords the most flexible and affordable calling anywhere at anytime. For instance, a call to the UK, USA or India will cost UGX 1000 inclusive of taxes. If you don't have a mobile phone and need to make a call, you can borrow a friend's phone and use the flexicard to make the call without using any of your friends' airtime. Flexicard can be used to access the Internet via freenet.

### 1.9 The Conceptual Frame Work

Shelby Hunt and Robert Morgan (Journal of Marketing, July 1994) presented a framework that provides a systematic approach for diagnosing where a company could stand on trust with its customers and thinking through the actions needed to build total-trust relationships as given below.



**Figure 2: Framework to demonstrate how trust is built in an organization (Source: Hunt and Morgan, 1994)**

### 1.10 Conclusion

This chapter defined the meaning of customer satisfaction and trust relationship and it showed the relevance of this study. It also included the research problem and a methodology that was used to deliver a systematic perspective of a customer relationship solution for businesses, as well as some information about Uganda Telecom, plus the conceptual framework that provided a basis on how trust is developed.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter involved looking through earlier papers on related literature with the aim of identifying the problem of concern such that no duplication of earlier research work is done. Apart from going through other related work, it also involved critical going through other sources or material work that is related to the research topic. So the chapter introduced to us what earlier researchers had to say about the topic as below.

According to Mahatma Gandhi, a customer is the most important visitor in the company's premises. He/She is not dependant on it, it's rather dependant on him/her. He/She is not an outsider but part of it, the organization is not doing a favour serving him/her, but he/she is doing a favour giving an opportunity to be served by the organization.

Jeffery Dyer and Wujiin Chu (1998) explained "T.R.U.S.T" as, Think about the situation objectively; Recognize and analyze motivations; Understand care mark's policy and applicable laws; Satisfy the "headline test" with your decision; and Take responsibility for your actions.

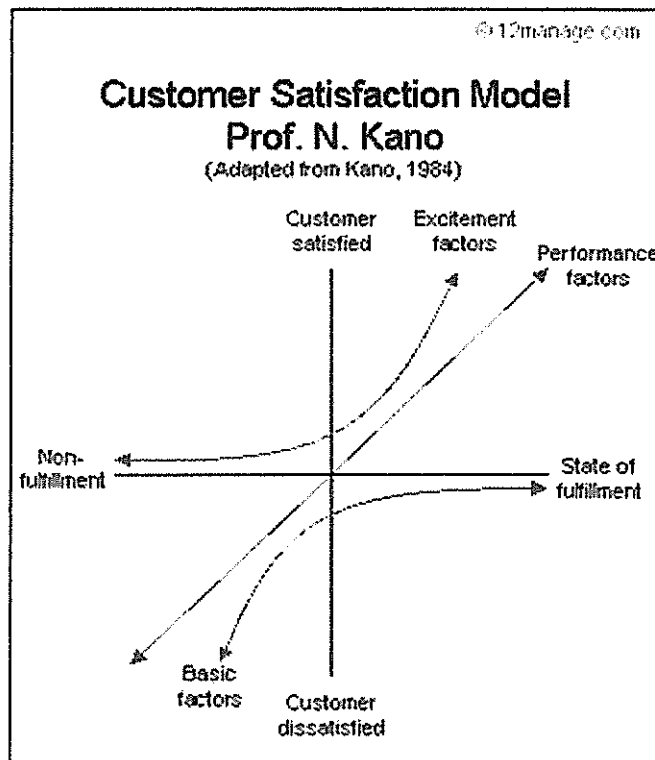
Thomas Jones and Earl Sasser, in an HBR article entitled, "Why Satisfied Customers Defect", (1995) describe a groundbreaking study on satisfaction done by Xerox. They uncovered dramatic differences between the feelings of customers at either end of the satisfaction scale, by simply putting customers at the lowest and highest ends of the satisfaction scale that tend to have intense feelings about the company. Xerox called the customers at the bottom end of the scale "terrorists"-those who actively tell others not to buy from Xerox. At the opposite end of the satisfaction spectrum are those customers Xerox refers to as "apostles". Customers who scored Xerox in the middle range of the satisfaction scale tended to be blasé, falling into the "zone of indifference". The most striking finding was that customers who rated Xerox a 5 were 600% more likely than customers who rated them a 4 to say they would purchase the same machine again.

(Blueuel, 2001):

1. Customer satisfaction is equivalent to making sure that the product and service performance meets customer expectations.
2. Customer satisfaction is the perception of the customer that the outcome of a business transaction is equal to or greater than his/her expectation.
3. Customer satisfaction occurs when the marginal utility of a transaction is equal to or greater than preceding acquisitions.
4. Customer satisfaction occurs when the perception of the reward from the purchase of goods or services by the customer meets or exceeds his/her perceived sacrifice. The perception is a consequence of matching past purchase and consumption experience with the current purchase.

The customer satisfaction model from N. Kano is a quality management and marketing technique that can be used for measuring client happiness. Kano's model of customer satisfaction distinguishes six categories of quality attributes, from which the first three actually influence customer satisfaction:

**Basic Factors.** (Dissatisfiers. Must have.) - The minimum requirements which will cause dissatisfaction if they are not fulfilled but do not cause customer satisfaction if they are fulfilled (or are exceeded). The customer regards these as prerequisites and takes these for granted. Basic factors establish a market entry 'threshold'.



Source: (Kano, 1984)

**Excitement Factors. (Satisfiers. Attractive.)** - The factors that increase customer satisfaction if delivered but do not cause dissatisfaction if they are not delivered. These factors surprise the customer and generate 'delight'. Using these factors, a company can really distinguish itself from its competitors in a positive way.

**Performance Factors.** The factors that cause satisfaction if the performance is high and they cause dissatisfaction if the performance is low. Here, the attribute performance-overall satisfaction is linear and symmetric. Typically these factors are directly connected to customers' explicit needs and desires and a company should try to be competitive here.

The additional three attributes which Kano mentions are:

**Indifferent attributes.** The customer does not care about this feature.

**Questionable attributes.** It is unclear whether this attribute is expected by the customer.

**Reverse attributes.** The reverse of this product feature was expected by the customer

## 2.2 Steps in the customer satisfaction model process

Kano developed a questionnaire to identify the basic, performance and excitement factors as well as the other three additional factors.

1. For each product feature a pair of questions is formulated to which the customer can answer in one of five different ways.
2. The first question concerns the reaction of the customer if the product shows that feature (functional question);
3. The second question concerns the reaction of the customer if the product does NOT show this feature (dysfunctional question).
4. By combining the answers all attributes can be classified into the six factors.

*What kind of categorization do you use for your products? How often do you re-prioritize your feature list?*

## 2.3 Application of the Kano Model Analysis

A relatively simple approach to applying the Kano Model Analysis is to ask customers two simple questions for each attribute:

1. Rate your satisfaction if the product has this attribute?; and
2. Rate your satisfaction if the product did not have this attribute?

Customers should be asked to answer with one of the following responses:

- A) Satisfied;
- B) Neutral (It's normally that way);
- C) Dissatisfied;
- D) Don't care.

- Basic attributes generally receive the "Neutral" response to Question 1 and the "Dissatisfied" response to Question 2. Exclusion of these attributes in the product has the potential to severely impact the success of the product in the marketplace.
- Eliminate or include performance or excitement attributes that their presence or absence respectively lead to customer dissatisfaction. This often requires a trade-off analysis against cost. As Customers frequently rate most attributes or functionality as important, asking the question "How much extra would you be willing to pay for this attribute or more of this attribute?" will aid in trade-off decisions, especially for performance attributes. Prioritization matrices can be useful in determining which excitement attributes would provide the greatest returns on Customer satisfaction.
- Consideration should be given to attributes receiving a "Don't care" response as they will not increase customer satisfaction nor motivate the customer to pay an increased price for the product. However, do not immediately dismiss these attributes if they play a critical role to the product functionality or are necessary for other reasons than to satisfy the customer.

The information obtained from the Kano Model Analysis, specifically regarding performance and excitement attributes, provides valuable input for the Quality Function Deployment process.

#### **2.4 Customer lifetime value**

Customer lifetime value (CLV) can be one measurement to be considered. Lifetime value is a frequency of purchase multiplied by the gross margin multiplied by the duration of brand loyalty (Hackert, 1998).



The value is calculated as the revenues the customer will generate over the life of the relationship to the company minus the variable costs of achieving those sales. These are the costs of goods sold, and the costs to serve. Over the customer's life span, the acquisition costs decline and revenues and margins increase.

CLV= Present Value of future profits from customer in N years

Investing too little on customer acquisition and retention therefore could cause the company to decline in productivity and future worth. Spending too much on customer acquisition and retention wastes capital needlessly without sufficient payback (McAllister, 2004).

Few companies calculate lifetime value, most notably because they do not know how (Patros & McConaghy, 2002). This is the point where customer relationship can bring a real benefit. The included database in the customer relationship tracks all interactions with a customer and this can be analyzed with the analytical features of a customer relationship solution.

## **2.5 Customer loyalty**

Customer loyalty means that the company understands and anticipates what customers' value about their product or service. It means that customers recognize that the company interacts with them uniquely. This measurement of loyalty is return on relationship. It reflects a company's level of preparedness to deal with the new customer relationship dynamics to drive mutual loyalty. Loyalty outcomes are the business practices driven by loyalty conditions, such as whether the customer acquisition costs are going down or whether the company is interacting with customers at the right time to maximize profit (Zingale, 1999).

## **2.6 Customer interactions and dynamics**

Some companies measure success metrics based on customer interactions. These can be metrics about the customer relationship system itself, or about specific elements of the sales, marketing and customer service process like account penetration, number of inquiries, number of qualified leads, or the percentage of completely populated profiles in the database. Consumer activities could be sales cycle time, turnaround time on reporting, or the percentage of address updates (Smith, 2001). Other dynamics can include customer acquisition, customer growth and development, customer retention, and customer reactivation. Most of these measures are the goals of many sales, service and marketing

efforts (Nykamp, 2001):

- Customer acquisition improvements may relate to increasing the targeting and related response rates or conversion rates of acquisition efforts or acquiring more value or more loyal customers.
- Customer growth and development improvements may relate to increased cross-sell of specific products, increased profitability of sales to existing accounts or improved up sell ratios.
- Customer retention improvements may relate to increased customer satisfaction.
- Customer reactivation improvements may relate to increased performance of any win-back marketing campaigns or direct sales efforts

All this information can be captured with a customer relationship system and it can be very useful to analyze the customers. However, this knowledge alone does not allow estimating the success rate of customer relationship management.

## **2.7 Return on investment (ROI)**

The return-on-investment model seeks to deliver actual cash benefits to the company. This approach identifies costs savings, probable productivity improvements or well-tested revenue opportunities.

The formula to calculate the return on investment is  $(\text{Profit} \times 100) / (\text{Investment in customer relationship}) = \text{ROI} (\%)$  (Woche, 1993).

In theory the formula seems to be simple but in practice it is very difficult to use for many companies because it includes a lot of unknown information:

- 1 The company has to analyse what is considered as an investment. Most investments can be divided into one of three categories (Buttle & Ang, 2002):
  - IT costs (infrastructure, database development, software, etc).
  - Personal costs (recruitment, redeployment, training, etc.).
  - Process costs (reengineering of working practices and workflows, etc.).

2. The company has to evaluate what is the return on this investment. Compared to the cost analysis this is the difficult part to measure. The business has to identify the new profit based on customer relationship minus the old profit that they would have earned without the use a customer relationship solution. Possible returns could be (Hughes, 2003):
  - Increased customer retention (less defections each year).
  - Increased visits or orders per customer per year.
  - Increased average spending per order or visit.
  - Increased cross sales-customers buy in more categories.
  - Increased up sales-customers buy higher priced items.
  - Increased reactivation of previous customers.
  - Increased referrals of new customer by existing customer.
  - Doing all the above while keeping increased costs (required to make them happen) from exceeding the increased sales.
3. The company has to decide what period should be measured. Customer relationship is an investment that is expected to pay off over a period of up to 5 years. Timeframe predictions of analysts vary on a wide range depending on whom they work for.

The figure below illustrates a possible ROI scenario of a customer relationship solution.

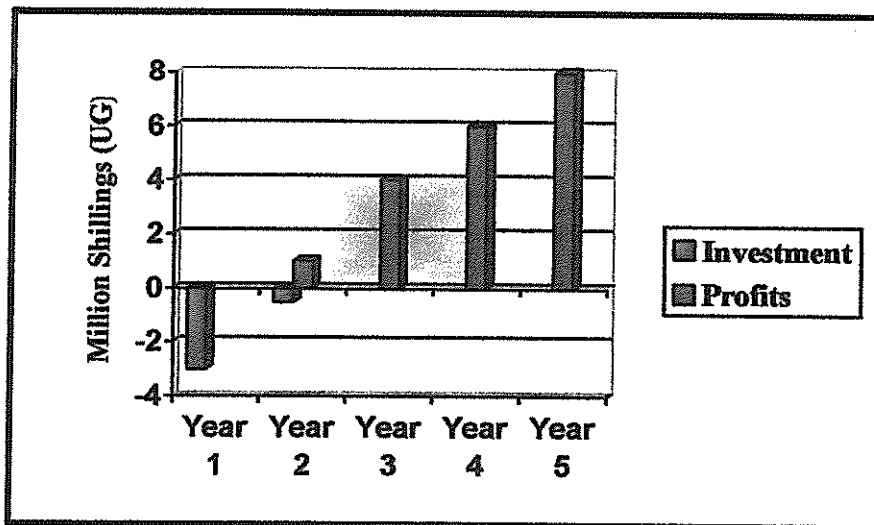


Figure 3: ROI example of a customer relationship solution.

Source: (Hughes, 2003)

To calculate the future return on a customer relationship investment, it is necessary to predict customer behaviour. This can be a very risky prediction because forecasting the behaviours of unpredictable customer will spend 5% more in future, or consume 10% less than before.

Curry & Curry presented *Ten (10)* customer facts that a company must look into and have a deeper insight on how vital, good customer relationship can yield to the organization. This was summarized in the figure below:

1. **The top 20% Of the customers can deliver 80% of returns.**
2. **The top 20% of the customer can deliver more than 100% of profits.**
3. **Existing customers can deliver up to 90% of revenues.**
4. **The bulk of marketing budgets are often spent on non-customers.**
5. **Between 5% and 30% of all customers have a potential for growth.**
6. **Customer satisfaction is critical to “growing” customers.**
7. **Reasonably satisfied customers often defect to the competition.**
8. **Marketing and sales are responsible for customer behaviour.**
9. **Other departments and people (for better or worse) also influence customer behaviour.**
10. **A 2% upward migration in the customer pyramid (that is, medium to large customer) can mean 10% more revenues and 50% more profit.**

*Source: (Curry & Curry, 2000)*

## **2.8 Conclusion**

Market focus is an imperative, and the future of Uganda Telecom depends on how effectively it transforms its marketing. The way forward is to make customer satisfaction every body's job. Everyone should be involved in the process. The ultimate challenge is to develop an own strategic approach to marketing, one that is relevant to the business.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.0 Introduction**

This chapter contained the research design, area of study, the survey of population, sample size, sampling techniques, sources of data, data collection instruments, data processing and analysis.

#### **3.1 Research design**

This study was conducted using questionnaires and interviews. The methods to use in obtaining data or information were both qualitative and quantitative.

The research also focused on the way how trust defects affect the organization and it covered only employees and management of the organization.

#### **3.2 Area and the population of the study**

The study was carried out at Uganda Telecom's offices situated on Rwenzori courts, plot 2 and 4A, Nakasero Road in the city center of Kampala.

The study population was composed of employees of Uganda Telecom both Male and Female irrespective of their job titles plus the management as well.

#### **3.3 Sample size**

A total number of 50 respondents were given questionnaires and were asked to fill them.

#### **3.4 Sampling techniques**

I employed stratified random sampling technique because it facilitates equal representation of all brackets of people in the study population.

#### **3.5 Data collection**

In the study, both primary and secondary data were collected.

### **3.5.1 Sources of data**

#### **Primary data**

Primary data was got from a cross section of the departments of Uganda Telecom especially the sales department. Such data was collected by use of questionnaires and interviews from some of staff members especially those in top management.

#### **Secondary sources**

Secondary data was got from already established and published materials of other researchers like Text books, journals, and the organizations' reports. The documents were used to obtain related literature to help build the research.

### **3.6 Data collection instruments.**

Questionnaires and interviews were the main instruments used in data collection and analysis.

### **3.7 Data analysis and presentation**

I analyzed the data obtained using graphs, tables, percentages, and pie charts.

I also interpreted the data collected, converted large quantities of data into simple meaningful ones as well as editing, tabulating and coding the data so as to ensure completeness of the questionnaires.

### **3.8 Limitations and problems encountered**

- a. Extraneous variables. These are variables in the study which the research was concerned with including those which had the capacity to influence the findings.
- b. Time limitation. Research requires a lot of time coupled with other academic commitments. Thus this was one of the biggest problems encountered during my study.

- c. Lack of information and attitude of respondents. Getting respondents willing to participate in the study was another limitation as many were complaining about time and commitment to their work.
- d. Management also limited my research findings since they weren't convinced as to why I need such sensitive information.

## CHAPTER FOUR

### RESEARCH FINDINGS AND DATA ANALYSIS

#### 4.0 Introduction

This is a vital element in the analysis of customer satisfaction as well as trust relationship, and Uganda telecom should realize this, before its too late. It is true that customer satisfaction is quite complex and still lacking in many organizations.

This chapter presents and discusses the findings of the study undertaken on customer satisfaction and trust relationship with special reference to Uganda Telecom. It specifically discusses the profile of the respondents; the respondent level of awareness. Out of 50 questionnaires issued out, I received back 48.

#### 4.1 Demographic Characteristics.

This part intended to analysis the background information of the respondents in relation to their age, gender, marital status and educational qualification. The information was obtained through the use of tabulation.

**Table 4.1.1 Shows ages and gender of respondents.**

Sex and Age	MALE			FEMALE			Total
	20-30	31-40	41 and above	20-30	31-40	41 and above	
Frequency	3	2	2	3	-	-	10
Percentage (%)	42.85	7.15	7.15	42.87	-	-	100

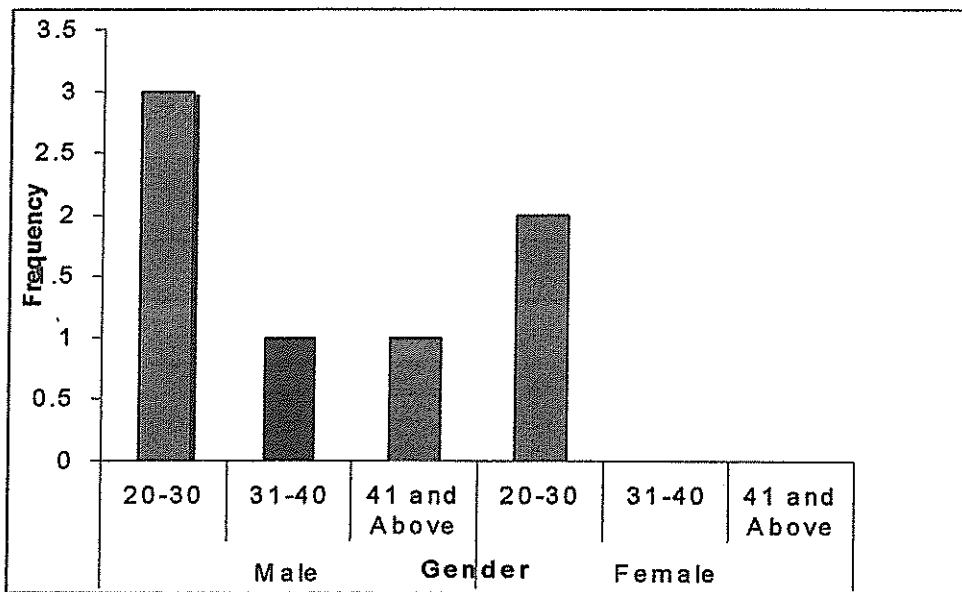
Source: (Primary data.)

According to the above table, the findings revealed that, the majority of the respondents were seven (7) males, rating to 71.43% of targeted sample. Females were three (3) making 28.57% of the targeted sample.



However, on the other hand, the study portrayed that, the biggest population of the company lies between 20-30 years, forming 43% of the sample. This age group was closely followed by both 31-40, and 41 and above forming 14.29% each. This however did not have any impact either positively or negatively towards achieving the information and other relevant material related to the research topic that the researcher required.

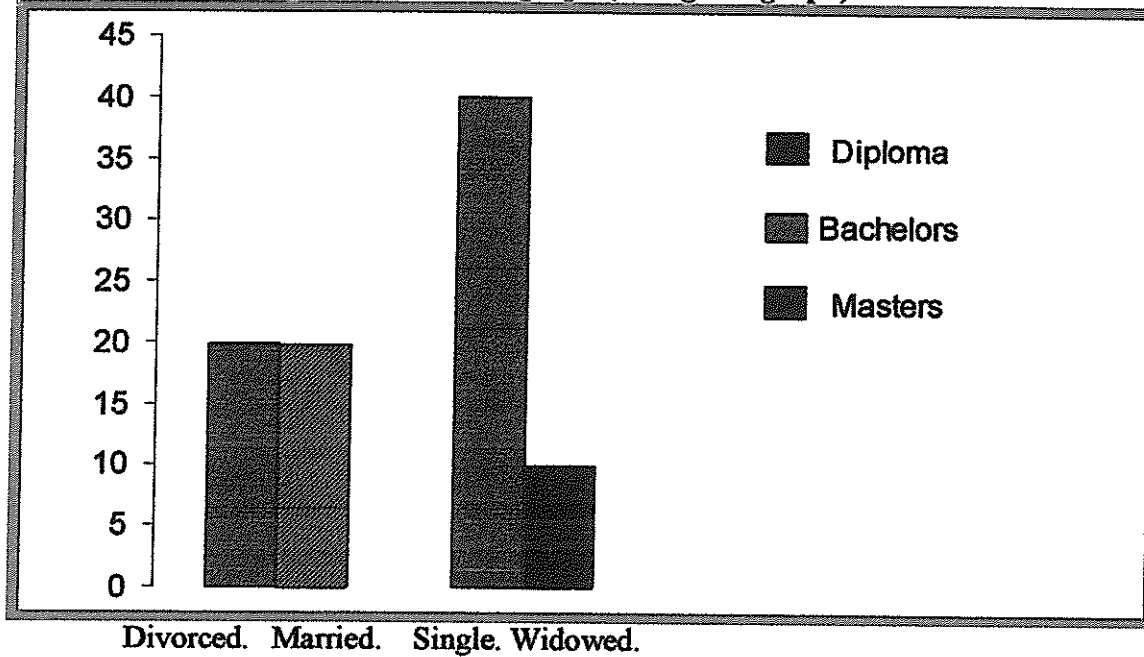
**Figure. 4.1.1 Shows ages and gender of respondents presented on the bar graph.**



**Source: (Primary data)**

From the above graph (Figure 4.1), the findings revealed that the majority of the population in the organization is composed of males and this happened from the first interval, the fourth class age does not consist of any male according to the findings of the study. This however did not hinder the obligation of the researcher to collect data from the respondents since both the male and female who were the majority and young in age ranging from 20-30 were easier to approach and deal with by the researcher.

**Figure 4.1.2. Shows findings on the marital status and education back ground which were presented using a clustered bar graph (histogram graph)**



**Source: (Primary data.)**

By looking at the above figure 4.2 the researcher observed that the single make 71.42% and the majority are bachelors' degree respondents. The researcher therefore found it easy to deal with these single respondents in gathering information since they are learned and are also able to fix time and share ideas regarding customer satisfaction management thus enabling the smooth progress of the research.

#### **4.2 Trust.**

The marketing manager of Uganda Telecom explained trust as;

- Letting others know your feelings, emotions and reactions, and having the confidence in them to respect you and to not take advantage of you.
- Sharing your inner feelings and thoughts with others with the belief that they will not spread them indiscriminately.
- Placing confidence in others so that they will be supportive and reinforcing of you, even if you let down your "strong" mask and show your weaknesses.
- The inner sense of acceptance you have of others with whom you are able to share secrets, knowing they are safe.

- The sense that things are fine; that nothing can disrupt the bond between you and the other.
- The ability to let others into your life so that you and they can create a relationship built on an understanding of mutual respect, caring, and concern to assist one another in growing and maturing independently.
- The glue or cement of relationships that allows you to need others to fulfill yourself.
- Opening yourself up to let others in on your background, problems, concerns, and mistakes with the assurance that they will not ostracize you because of these things.
- The act of placing yourself in the vulnerable position of relying on others to treat you in a fair, open, and honest way.

He also explained that people have trouble in developing trust if they have;

- Experienced a great deal of emotional and/or physical abuse and/or neglect.
- Been chronically put down for the way they feel or for what they believe.
- Been emotionally hurt in the past and are not willing to risk getting hurt in the future.
- Had problem relationships in the past where they were belittled, misunderstood, or ignored.
- Been reared in or have lived in an environment emotionally and/or physically unpredictable and volatile.
- Experienced a great deal of pain at the hands of another. Even if the other finally recognizes and accepts the responsibility to change such behavior, the person fears that if they let their guard down, the pain and hurt will begin again.
- Low self-esteem and cannot believe that they are deserving of the attention, care, and concern of anyone. They have problems even trusting the positive, healthy, and reinforcing behavior of another who is sincere.

He further explained that people need to develop the following behavior traits, attitudes, and beliefs in order to develop trust:

**Hope in the goodness of mankind:** Without such hope people can become emotionally stuck, reclusive, and isolated. Hope in goodness is a change based on the willingness to take a risk that all people are not evil, bad, or ill-willed.

**Faith in the fairness of life:** This faith in fairness is similar to the "boomerang belief," that what you throw out to others will come back to you eventually in life. So if people are fair, honest, or nurturing they will eventually receive similar behavior aimed back at them. Having faith in fairness is an attitude that helps people be open to others and risk being vulnerable. They believe that the person who treats them negatively will eventually

"get it in the end!" and be punished in some way later in this life or in the next.

**A healing environment:** This is the creating of a trust bond with the significant others in your personal life where blaming, accusing, and acrimony do not exist. In the healing mode the participants actively use forgiveness, understanding, and healthy communication to resolve problems and issues. The participants are then willing to forget, to let go, and to release themselves of the past hurts, wounds, and pain, opening themselves to trust one another.

**Reduction of a sense of competition:** This reducing of competition, jealousy, and defensiveness with significant others in your life is a way to reduce the barriers between you and them. The lowering of these psychological barriers is essential to the movement toward development of mutual trust.

**Self-disclosure of negative self-scripts:** Your disclosing of your inability to feel good about yourself and your perceived lack of healthy self-esteem are essential in reducing miscommunication or misunderstanding between you and the significant others in your life. This self-disclosure reveals to the others your perspective on obstacles you believe you bring to relationships. This sheds the mask of self-defensiveness and allows the other to know you as you know yourself. It is easier to trust that which is real than that which is unreal or hidden.

**Taking a risk to be open to others:** This enables you to become a real person to others. It is an essential behavior in trust-building between two people because it is the establishing of the parameters of strengths and weaknesses on which you have to draw as the relationship develops.

**Becoming vulnerable:** This enables you to be hurt by others who know your weaknesses

and strengths. This is an essential step in trust-building between people. It lays the cards on the table in a gamble that in such total self-revelation the others will accept you for who you really are rather than for whom they want you to be. In order to get to full self-disclosure you must take the risk to be vulnerable to others. This is an important building block in trust development.

**Letting go of fear:** Fear restricts your actions with others. Letting go frees you of behavioral constraints that can immobilize your emotional development. Fear of rejection, fear of failure, fear of caring, fear of success, fear of being hurt, fear of the unknown, and fear of intimacy are blocks to the development of trust relationships and can impede relationship growth if not given appropriate attention and remedial action.

**Self-acceptance:** Accepting who you are and what your potential is an important step in letting down your guard enough to develop a trusting relationship with others. If you are so insecure in your identity that you are unable to accept yourself first, how can you achieve the self-revelation necessary to develop trust? Self-acceptance through an active program of self-affirmation and self-love is a key to the development of trust.

#### **4.3 Handling customer complaints.**

The sales manager presented some of the procedures they employ in handling customer complaints as follows;

“It's a well known fact that no business can exist without customers. In the business, it's important to work closely with your customers to make sure the site or system you create for them is as close to their requirements as you can manage. Because it's critical that you form a close working relationship with your client, customer service is of vital importance. What follows are a selection of tips that will make your clients feel valued, wanted and loved.”

##### **1. Encourage Face-to-Face Dealings**

This is the most daunting and downright scary part of interacting with a customer. If you're not used to this sort of thing it can be a pretty nerve-wracking experience. Rest assured, though, it does get easier over time. It's important to meet your customers face to face at least once or even twice during the course of a project.

He said in his experience, that a client finds it easier to relate to and work with someone you have actually met in person, rather than a voice on the phone or someone typing into an email or messenger program. When you do meet them, be calm, confident and above all, take time to ask them what they need. I believe that if a potential client spends over half the meeting doing the talking, you're well on your way to a sale.

## **2. Respond to messages promptly and keep your Clients informed**

He said that... We all know how annoying it is to wait days for a response to an email or phone call. It might not always be practical to deal with all customers' queries within the space of a few hours, but at least email or call them back and let them know you've received their message and you will contact them about it as soon as possible. Even if you're not able to solve a problem right away, let the customer know you're working on it. Because customers labour and take time to keep me informed, I must also put my self in the same shoe and feel the same problems that they going through. So by giving a feed back at least keeps the customer with the belief that something will be done about the problem(s). That to me is a prime example of customer service.

## **3. Be friendly and approachable**

As a fellow Practitioner once you can hear a phone call or a message for your company that you buy products from a smile can develop through your face. This is very true. It's very important to be friendly, courteous and to make your clients feel like you're their friend and you're there to help them out. There will be times when you want to beat your clients over the head repeatedly with a blunt object - it happens to all of us. It's vital that you keep a clear head, respond to your clients' wishes as best as you can, and at all times remain polite and courteous.

## **4. Have a clearly-defined customer service policy**

This may not be too important when you're just starting out, but a clearly defined customer service policy is going to save you a lot of time and effort in the long run. If a customer has a problem, what should they do? If the first option doesn't work, then what? Should they contact different people for billing and technical enquiries? If they're not satisfied with any aspect of your customer service, who should they tell?

There's nothing more annoying for a client than being passed from person to person, or not knowing who to turn to. Making sure they know exactly what to do at each stage of their enquiry should be of utmost importance. So make sure your customer service policy is present on your site and at the company's premises and anywhere else it may be useful.

#### **5. Attention to detail (also known as 'The Little Niceties')**

Have you ever received a Happy Birthday email or card from a company you were a client of? Have you ever had a personalized sign-up confirmation email for a service that you could tell was typed from scratch? These little niceties can be time consuming and aren't always cost effective, but remember to do them.

Even if it's as small as sending a Happy Holidays message to phone numbers or emails to all your customers, it's something small but very important. It shows you care; it shows there are real people on the other end of that screen or telephone; and most importantly, it makes the customer feel welcomed, wanted and valued by the company offering him/her products and/or services.

#### **6. Anticipate your client's needs and go out of your way to help them out**

Sometimes this is easier said than done! However, achieving this supreme level of understanding with your clients will do wonders for your working relationship.

Take this as an example: you're working on the front-end for your client's exciting new ecommerce endeavour. You have all the images, originals and files backed up on your desktop computer and the site is going really well. During a meeting with your client he/she happens to mention a hard-copy brochure their internal marketing people are developing. As if by magic, a couple of weeks later a CD-ROM arrives on their doorstep complete with high resolution versions of all the images you have used on the site. A note accompanies it which reads:

*"Hi, you mentioned a hard-copy brochure you were working on and I wanted to provide you with large-scale copies of the graphics I've used on the site. Hopefully you'll be able to make use of some in your brochure."*

Your client is heartily impressed, and remarks to his colleagues and friends how very helpful and considerate his Web designers are. Meanwhile, in your office, you lay back in your chair

drinking your 7th cup of coffee that morning, safe in the knowledge this happy customer will send several referrals your way.

## **7. Honour your promises**

It's possible this is the most important point in dealing with customer solutions. The simple message: when you promise something, deliver. The most common example here is project delivery dates.

Clients don't like to be disappointed. Sometimes, something may not get done, or you might miss a deadline through no fault of your own. Projects can be late, technology can fail and sub-contractors don't always deliver on time. In this case a quick apology and assurance should go to the customers as quick as possible promising them to rectify the problem in the shortest time period possible

In his conclusion, he said thus: "Customer service, like any aspect of business, is a practiced art that takes time and effort to master. All you need to do to achieve this is to stop and switch roles with the customer. What would you want from your business if you were the client? How would you want to be treated? Treat your customers like your friends and they shall always come back."

### **4.4 How to maintain a loyal customer base.**

The customer care desk manager presented five (5) key vital points on how to maintain a loyal customer base.

#### **1. Handling new customers**

Often, people who have just started their business are too busy chasing new customers. They sometimes fail to realize that their existing customers could also be a source of new business. As a small business owner, you should stay in contact with your existing customers and get regular feedback on your products and prices. Also, don't be afraid to ask your customers questions about your competitor's strategies, products and services.

Once a new customer decides to do business with you, then you should immediately handle all his or her needs in the most courteous and efficient manner. Always provide service politely and with a smile.



You should make your customers feel warm and comfortable while in your store or on the telephone. Keep in touch with them by sending them greeting cards or sale notices.

Treat every customer with respect - no matter how large or small their purchases are.

## **2. Improve with time**

Once your new customers become comfortable with you or one of your employees, you should remember them by name. If you and your staff are able to greet customers by name, it makes their experience much more personal.

If customers believe that you take a special interest in them, they are also more apt to think that they are receiving one on one service. Always thank them for their business and invite them to come again.

Make it a point to send customers advance notice of special sales, or offer additional discounts on certain products.

## **3. Regular customers become your sales people**

Regular customers will inform their friends and relatives about your business – and if you've done your job well, you will soon have lots of new customers, courtesy of your old ones. Your regular customers are actually now advertising your business - without you having to spend an extra dime on marketing.

In business, referrals are like gold. With new customers already convinced of your honesty and reasonable pricing, you will not have a difficult time convincing them to buy your products.

## **4. The cycle begins again**

Once new customers start buying your products and services, then the entire cycle of converting new customers into loyal customers continues.

Soon, you will have a wider customer base – and your small business will benefit from this 'recycling' process.

## **5. Holding up your end of the bargain**

New and old customers alike all have some expectations from you, and you should at all times honor those expectations. You should always be honest with your customers; never

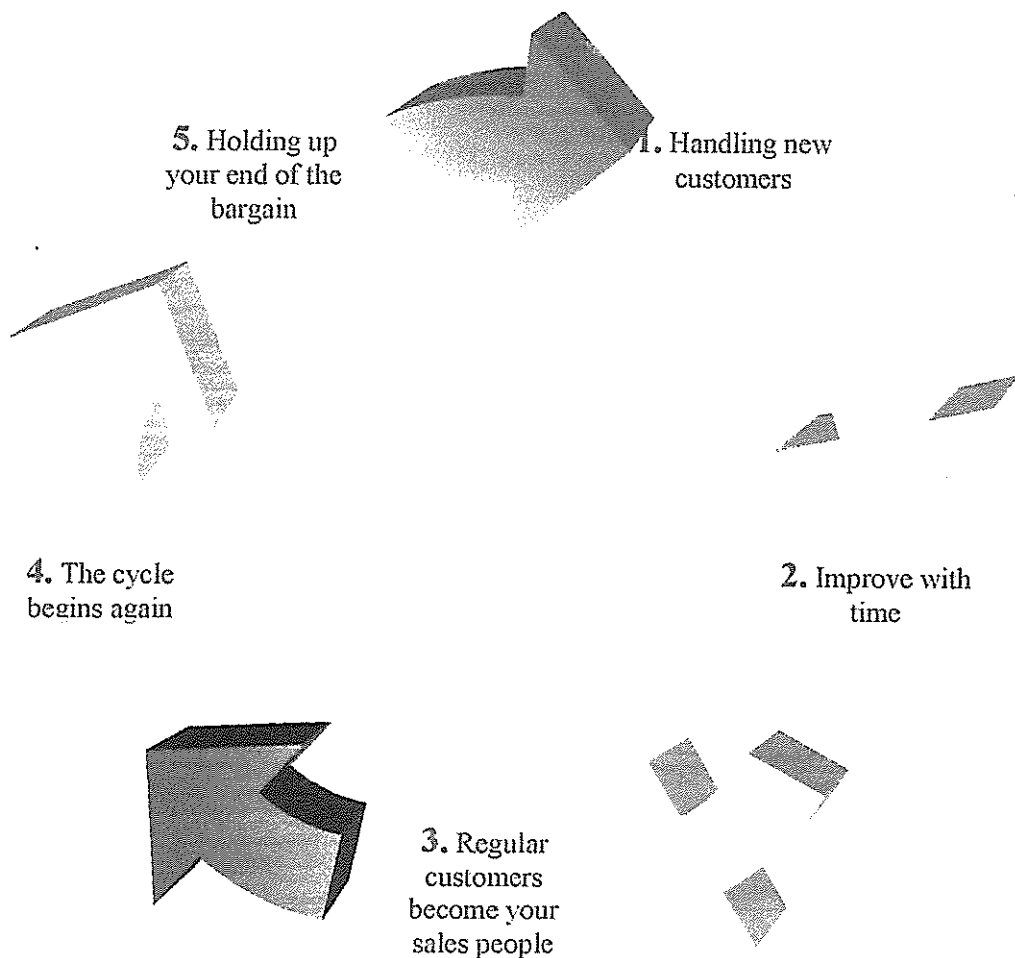
mislead them. It is important that you communicate effectively. Notify customers immediately if a problem arises, such as a shipping delay. They will appreciate your honesty.

You should then ensure privacy of all your customers' conversations and their personal and financial information. In many cases, this isn't an arbitrary situation – it is the law.

Customers are the lifeblood of any small business. Follow the tips above and soon you'll have more customers than you know what to do with.

The above points were summarized in figure 4.1.3 below.

Figure 4.1.3 shows a summary of how to maintain a loyal customer base.



Source: (Primary data)

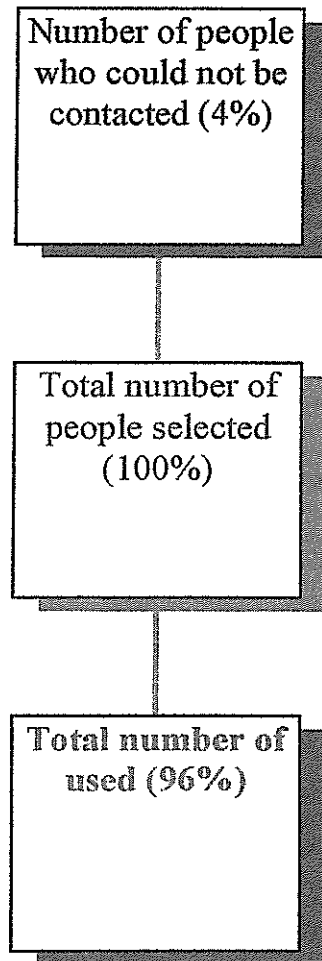
#### 4.5 Research results.

##### Response rate

An overall response rate of the selected target group was of 96% (that is 48/50 was achieved). Taking into account the number of people who could not be contacted, an overall response of 4% (2/50) was achieved.

The response rate was structured as depicted in figure 4.1.4 below.

Figure 4.1.4 shows the response rate of the people interviewed.



*Source: (Primary data)*

#### 4.6 Conclusion:

This chapter has presented the research findings plus their interpretation to give a true picture of what the topic was all about.

## **CHAPTER FIVE**

### **RECCOMENDATION AND CONCLUSION**

#### **5.0 Introduction**

The researcher in this chapter came up with comments and conclusions based on the findings in the previous chapter and finally proposed recommendations on customer satisfaction and trust relationship measures to the management of Uganda telecom.

#### **5.1 Discussion of findings and results**

A variety of conclusions can be drawn based on the findings, its interpretations and the depth of literature review, but in conformity with our research objectives, the key conclusions drawn from the findings and the data itself can be elaborated in the following conclusions.

The first objective was to establish the relationship that exists between a company's trust and customer satisfaction in Uganda telecom. Data analysis and interpretation of responses from the prospects that comprised of managers, employees who were selected from different departments of the organization including customers of Uganda telecom revealed the major findings under this objective. These findings indicate that there are a variety of reasons for the need for more customer care modes, among which customers may wish to get fast services.

#### **5.2 Conclusion**

The study investigated customer satisfaction and trust relationship. It was intended to find ways in which the telecommunications industries can improve their customer service value in order to build a loyal customer base towards the core product and reduce its defects such that the company's customers can consume high quality products and services. This was relative to this study that concentrated on the contradiction that the main problems leading to customer dissatisfaction are not always visible. Many reasons for failure appeared but the main explanation for breakdown was often unknown. So many customers complained about

the late deliveries, rude or incompetent personnel, inconvenient service hours, poor performance and so many more.

The study specifically sought to examine the effect of customer relationship management in Uganda telecom, evaluate the barriers to a trust-based relationship in Uganda telecom and to determine the impact of high pricing on services and or products on customer satisfaction in Uganda telecom, and to find ways of averting trust defects on customer satisfaction in Uganda telecom.

The study established that there is need for extensively design better modes by the company in order to enhance customer value.

### **5.3 Recommendations**

I have argued in this report that setting flexible prices to different customer segments has an outstanding image to the company in as far as its competitors are concerned and management should focus on managing both under and over capacity. The study has also shown that 90% of customers prefer low priced products due to the need for saving and household demand, and thus the management of Uganda telecom should be charging and setting prices putting into consideration the targeted segment of customers, as well as practicing bundle pricing. It is against this background that the recommendation below is made in short and precise paragraphs following the research objectives.

Though Uganda telecom emphasizes a working knowledge of good customer services change in order to capture the telecommunications industry, and navigate the vitality of the of the market conditions and future trends, some observations where made by the researcher which can act as a hindrance to meeting the challenges of customer satisfaction, these include;

The company should extensively design modes to cater and satisfy its customers especially the poor man in the grass root by designing some cheap phones and airtime that suits in their pocket.

If Uganda telecom management is to dominate the market it should improve the value services year after year. It should focus all its assets, energies and attention on delivering and

improving services over customer value, it can nearly always deliver better performance in that dimension than any other company would.

Also building a well-tuned operating model dedicated to delivering unmatched service value, in a competitive marketplace; the customer value must be improved. This is an imperative if Uganda telecom is focusing on the market leadership, and makes the model the key to raising and resetting customer expectation.

It is the recommendations of the researcher therefore, that in order for the organization to meet the challenges of managing, designing and pricing of services effectively, customer relationship should be perfected to meet customer wants and demands towards their satisfaction.

#### **5.4 General conclusion**

The findings for the research revealed that there is evidence of some form of malfunctioning and hard work in the company implying that the challenges leading to customer dissatisfaction are being met thereby leading to customer satisfaction which at the end has contributed to a large customer base and thus trust relationship.

#### **5.5 Limitations of the study.**

- Uganda telecom is one of the telecommunication service industries with the highest reputation in the business so in case of some irregularity it was not easy to be revealed. Some of the respondents were unwilling to answer the questionnaires and be interviewed thus leading to the delay in data collection.
- There was a problem of information access by the researcher. The management was invoking confidentiality in the way that they never wanted to reveal secret information of the company.
- Financial challenge; funds for helping in proposal writing and producing a final report / dissertation were always very expensive and difficult for a researcher to afford and rise respectively.

- The researcher was faced with limited time, because most of respondents were busy, this in turn hindered generation of necessary information.
- Honest respondents, not all the respondents were willing to cooperate in collecting data and giving out some relevant information as far as the study was concerned.

#### **5.6 Areas for further studies.**

In attempting to solve the research problem a number of variables that have relationship with trust defect emerges, all these variables apart from customer satisfaction which was addressed in this study have significant impact customer relationship management. Therefore, more studies have to be under taken on the areas of customer relationship management, trust defects and control measures that can be applied.

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## APPENDIX I

### RESEARCH QUESTIONNAIRE

Dear respondent(s), I am a student of Kampala International University pursuing Bachelors' degree of international business administration conducting a study on customer satisfaction and trust relationship. The purpose of this survey is to fulfill my academic requirement. Therefore, I kindly request for your assistance by furnishing me with the required information and data.

#### PERSONAL INFORMATION

##### 1. Age

a) 20 – 25

b) 26 – 30

c) 31 – 35

d) 36 – 40

e) 41- 45

f) 45 and above

##### 2. Gender

a) Male

b) Female

##### 3. Level of Education qualification

a) Primary

b) Secondary level

c) Professional certificate

d) Diploma

e) Degree

e) Masters

g) Others, Specify .....

*Thank you*

**INFORMATION ABOUT THE ORGANISATION:**

**SECTION A (For Employees Only)**

2. Please present the department you work for in this company

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3. For how long have worked for this company?

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4. In your own view, how do you think is the customer's perception toward your products?

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5. How is customer value relevant to your company?

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6. Customers should trust the company's products in order for them to be satisfied.

Agree  Strongly agree  Disagree  Strongly disagree

**[THANKS FOR YOUR CO-OPERATION]**

**SECTION B (For Management Only)**

7. Please provide an overview for this company (Back ground)

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8. How has this company tried to fulfill the needs for customers offering its products?

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9. What are some of the challenges in providing customer satisfaction?

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10. How have you managed to overcome the above challenges?

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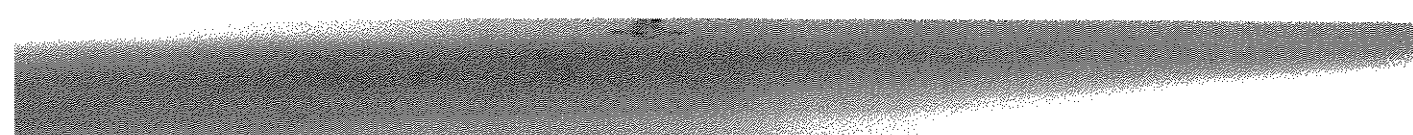
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11. Please provide for some of the future prospects for this company

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**[THANKS FOR YOUR CO-OPERATION]**



## **APPENDIX II**

### **INTERVIEW GUIDE**

1. For how long have worked for this company?

2. In your own view, how do you think is the customer's perception toward your products?

3. How is customer value relevant to your company?

4. How has this company tried to fulfill the needs for customers offering its products?

5. What are some of the challenges in providing customer satisfaction?

6. How have you managed to overcome the above challenges?

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7. Please provide for some of the future prospects for this company

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*Thank you for your cooperation in completing this questionnaire.*

## APPENDIX III

### IMPLEMENTATION SCHEDULE

#### WORK PLAN

Activity	Duration	Date
1. Interview and Questionnaires	4 weeks	December 2006
2. Collection of Questionnaires	2 weeks	February 2007
3. Compiling data	4 weeks	March 2007
4. Typing and printing	2 weeks	April 2007
5. Consultation and final report	4 weeks	February 2008