The Factors Affecting Customer Satisfaction and Behavioral Intentions in Using Moble Telecommunication Service in Vietnam[1]

Tram Van Hung

Department of Business Administration, Faculty of MBA, Siam University, Thailand.

Email: hungtramvan@gmail.com

Abstract

This paper focuses on identifying some the factors affecting customer satisfaction and behavioral intentions in using mobile telecommunication service in Vietnamese and It examines various stimuli, namely, value factors as expressed in terms of product offer and price and service quality dimensions. Nowadays customers have to face the situation how to choose the best mobile telecommunications service which is provided by many mobile telecommunications service companies. In addition, the mobile telecommunications service companies also face the situation that to meet the customer satisfaction in order to increase the market share. So, managers of telecom companies should be conscious of the factors affecting customer satisfaction and behavioral intentions in building these strong relationships.

Before time there are a few studies relationship to the factors affecting customer satisfaction and their influence on customers' future behavioral intention in the Vietnam mobile telecommunication industry. Therefore, nowadays this study seeks to explore which factors affect customer satisfaction in using mobile telecommunications. Furthermore, the research aims to investigate the relationship between customer satisfaction and behavioral intentions in mobile telecommunications service.

This study was based on the customer's perspectives and their experiences with mobile telecommunications service in Vietnam. Questionnaire as data collection tool was used in the conduction of this study. The findings indicated the perceived value; some elements of service quality and marketing mix play the key role in customer satisfaction. Especially, tangible, reliability and assurance of service quality are significant to customer satisfaction. Regarding to the marketing mix, only product, process, and physical evidence are significant to customer satisfaction in mobile telecommunications service in

---

Vietnam. In addition to this, the findings also indicated that customer satisfaction plays a key role in determining customer behavioral intentions.

Keywords: Telecommunication, Mobile telecommunication service, Perceived value, Service quality, Marketing

Introduction

The concept of quality, efficiency, productivity, growth and survival pose a great challenge for the survival and growth of all corporate bodies. These growth and survival demands are further deepened by the need to attract and retain customers, as customers are the main focus of any successful business. Business success depends on a firm's understanding and meeting customers' needs and demands.

One important utility in an economy is telecommunication. The telecommunication industry's role in an economy cannot be overemphasized. It aids decision making, organizing, influencing, activating, instructing, providing feedback, promotes interpersonal and business relationships as well as exchange of information. All social, economic, political, cultural, trade and commercial activities are undertaken using telecommunication. Due to the poor performance of many of these telecommunication firms, particularly in the developing countries, governments have had to intervene through divestiture and privatization programs (Frempong and Henten, 2004).

Prior to the deregulation of the telecom sector, few firms existed in the country to provide telephone (mobile and fixed line) and Internet services. Meanwhile they charged exorbitant prices but provided restricted and shoddy services. Currently in the telecommunication subsector, five registered firms are operational. They include: Mobile Telecommunication Network (VNPT, Viettel, SPT, ETC, Fpt, Netnam).Beside these main providers, there are several other companies which have been granted licenses to provide value-added services. The body charged with the responsibility of supervising and managing the country's telecom sector.

It is perceived that the incoming of those firms has been made possible due to the reforms and adjustment programs instituted in the country in the 1945-1975. Nevertheless, the presence of these firms has introduced competition, efficiency and effectiveness in the telecom market in the country. Unlike the previous monopolistic, highly regulated telecom market, the presence of the new firms introduced service quality, appropriate and reasonable pricing and social responsibility. In effect, the deregulation policy of the telecom industry has aided in the current level of satisfaction enjoyed by its customers today.

Objectives

The objectives of this study are as per below:

- To search which factors affecting customer satisfaction in using mobile telecommunications
- To explore the relationship between customer satisfaction and behavioral intention in mobile telecommunication service

Research Questions

1. Which factors are affecting customer satisfaction in using mobile telecommunication?
2. How is the relationship between customer satisfaction and behavioral intention in mobile telecommunication service?

Hypothesis

H_1 :   Perceived valued affects cusotmer satisfaction.

H_2 :   Service quality affects customer satisfaction.

H_3 :   Marketing mix affects customer satisfaction.

H_4 :   Customer satisfaction affects behavioral intention.

Conceptual Framework
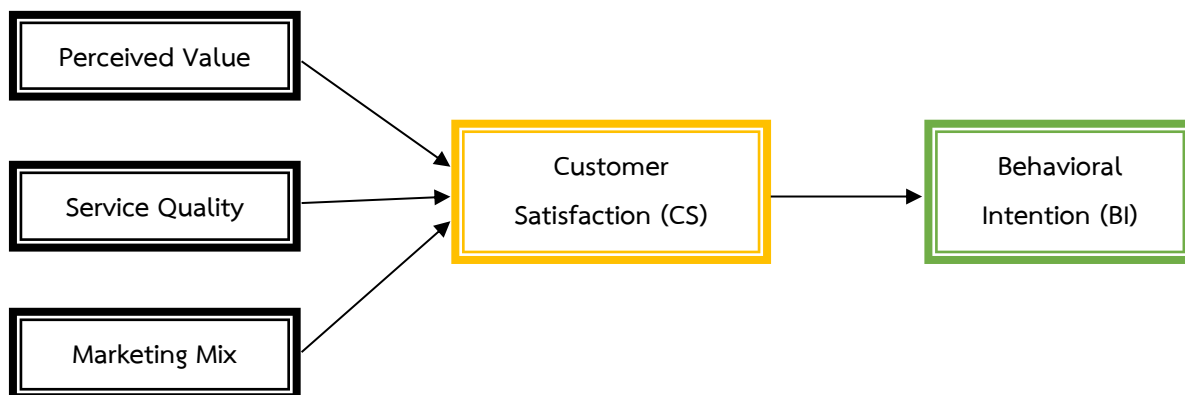
Theory and relative research

Customers can satisfy when they get the service and performance equally with their expectation. (Oliver, 1980) Behavioral intention is defined as goal states in the expectancy value tradition that are the

results of conscious process that takes time, requires some deliberation and focuses on consequences. (Loewenstein, Weber, Hsee, & Welch, 2001) Most of studies have defined perceived value as the result of the personal comparison between perceived overall benefits and the perceived costs paid by the customer. (Zeithaml, 1988) Service quality is also regarded as the customer's impression of the relative inferiority or superiority of a service provider and its services (Bitner & Hubert, 1994; Tsoukatos & Rand, 2006). Many studies also have established that service quality strongly drives satisfaction (Gro¨nroos, 2001; Kotler & Keller, 2006; Lovelock & Wirtz, 2007; Oliver 1980; Wang & Hing-Po Lo, 2002) The product marketing mix consists of Product, Price, Place, and Promotion, simply called 4P's (Hartono, 2010)

Research Methods

This study explores by using the quantitative method. The primary data, which is from questionnaires, was collected from the customer who is using mobile telecommunication in Vietnam to reach the study of objectives. In this study, perceived value, service quality and marketing mix are independent variables. The dependent variables are customer satisfaction and behavioral intention. The sampling design was constructed with the formula of Yamane (1973) and the number of sample is 400. The measurement of the scales for this study is five point Likert and the interval with five point scale is using the formula as per following:

(5-1)/5 =   0.80

According to the above calculation, the scores are considered the ranges of:

4.21   -   5.00   are as strongly agree

3.41   -   4.20   are as agree

2.61   -   3.40   are as neutral

1.81   -   2.60   are as disagree

1.00   -   1.80   are as strongly disagree

The questionnaires were created two parts as general background information and the questions for dependent and independent variables. This research analyzed with the descriptive statistic for data analysis and each variable was evaluated with the reliability test and the hypothesis examine with multiple regressions. The analysis parts, this study describes with seven parts as customer demographic, descriptive analysis, relationship between perceived value and customer satisfaction, relationship between service quality and customer satisfaction, relationship between marketing mix and customer satisfaction, the relationship between customer satisfaction and behavioral intentions and summary of hypothesis testing.

Results

The results are come out from the analysis of 400 questionnaires, which were constructed based on the conceptual framework and tested the hypotheses of the study. The analysis parts, this study describes with seven parts.

1. Customer Demographic

From the result of customer demographic part, the male respondents are 193 and it is equal to 48.25%. The female are 207 respondents and it is equal to 51.75%. The percentages of two groups are not many differences. There were five groups for the age and the majority of age respondents are between 21 – 30 years old with the percentage (47.5%). The second age group is less than 20 years, which is (21.5%), the third age group of respondents is 31-40 years old with the percentage (17.5%), the fourth age group of respondents are 41-50 years old with the percentage (7.5%) and the smallest group age are over 50 years with the percentage (6%). The majority of education level is bachelor degree with (67%), the second group of education level is the master degree with (15.8%), the third group of education level is the high school with (8.5%), the fourth group of education level is technical college with (7.8%) and the fifth group is the secondary school with (1%). The majority of occupation group is students with 40.8%, the second occupation group is private employee group with (28%), the third occupation group is public employee group with (15%), the fourth occupation group is the self-employment or business with (8.5%) and the fifth occupation group is the people who are in other occupation with (7.5%). The majority of income level is between 10,000 - 20,000 Bath with (36.5%), the second income level is less than 10,000 Baht with (28.3%), the third income level is between 20,001 – 30,000 Baht with (14.8%), the fourth income level is between 30,001 – 40,000 Baht with (8.8%) and the fifth income level is more than 50,000 wit (6.5%)

1	brand	No. of respondents	Percentage
	VIETTEL MOBILE	182	45.5
	MOBIFONE	101	25.3
	VINAPHONE	115	28.8
	Total	**400**	**100.0**
2	**Usage period**		
	From 1 year to 2 years	62	**15.5**
	From 2 years to 3 years	39	9.8
	From 3 years to 4 years	36	9.0

	From 4 years to 5 years	42	10.5
	More than 5 years	192	48.0
	Total	400	100.0
3	Service type		
	Prepaid	162	40.5
	Post paid	129	32.3
	Monthly Package	109	27.2
	Total	400	100.0
4	Service		
	Domestic call	215	53.8
	Domestic and international call	2	.5
	Domestic call and supplementary service	153	38.3
	international call	2	.5
	supplementary service	14	3.5
	Total	400	100.0
5	Place of purchasing		
	Convenience store	142	35.5
	Operator shop	205	51.3
	Dealer store	48	12
	Other	5	1.3
	Total	400	100.0

As per results, the majority of brand item is VIETTEL MOBILE with (45.5%), the second brand item is VINAPHONE brand with 28.3% and the third is MOBIFONE with 25.5%. The majority of the usage period is more than 5 years with (48%), the second of the usage period is between 1-2 years with (15.5%), the third of the usage period is between 4 years to 5 years with (10.5%), the fourth of the usage period is between 3-4 years with 9.8% and the fifth of the usage period is between 3-4 years with (9%). the majority for service is domestic call with (53.8%), the second are using domestic call and supplementary service with (38.3%). The domestic and international call, international call and supplementary services are (0.5%), (3.5%) and (0.5%) respectively. The majority for place of purchasing is operator shop with (51.3%),

the second for place of purchasing is convenience store with (35.5%). The Dealer store and other for place of purchasing are (12%) and (1.3%) respectively.

2. Descriptive analysis

The important factors to achievement agreement level of respondents on the perceived value, service quality, marketing mix, customer satisfaction, and behavioral intention are shown in the table 2.1 - 2.5

	Mean	Standard deviation	Level of agreement
Perceived value	33.4233	0.68902	agree

Table 2.1

The result has shown above is the mean of perceived value (33.4233), and the standard deviation (0.68902) which is considered as agree level.

	Mean	Standard deviation	Level of agreement
Tangible	3.7183	0.60638	agree
Reliability	3.6492	0.70006	agree
Responsiveness	3.5942	0.76473	agree
Assurance	3.6683	0.68602	agree
Empathy	3.6333	0.71776	agree

Table 2.2

At the service quality part, this study finds out the results for tangible, reliability, responsiveness, assurance and empathy. The means of tangible, reliability, responsiveness, assurance and empathy are 3.7183, 3.6492, 3.5942, 3.6683 and 3.6333. The standard deviations of tangible, reliability, responsiveness, assurance and empathy are 0.60638, 0.70006, 0.76473, 0.68602 and 0.71776 respectively. Therefore, the levels of tangible, reliability, responsiveness, assurance and empathy are considered as agree level.

	Mean	Standard deviation	Level of agreement
Product	3.4567	0.75763	agree
Price	3.6175	0.69655	agree
Place	3.8950	0.76295	agree
Promotion	3.7042	0.75996	agree

Table 2.3

According to the result of Table 2.3 for the level of agreement of marketing mix, the means of product, price, place and promotion are 3.4567, 3.6175, 3.8950 and 3.7042. The standard deviations of product, price, place and promotion are 0.75763, 0.69655, 0.76295 and 0.75996. The agreement level of marketing mix as product, price, place and promotion is agreed level.

	Mean	Standard deviation	Level of agreement
Customer Satisfaction	3.6167	0.72567	agree

Table 2.4

As per Table 2.4, the mean of customer satisfaction is 3.6167 and the standard deviation is 0.72567. Therefore, the agreement of customer satisfaction is the level of agree.

	Mean	Standard deviation	Level of agreement
Behavioral Intention	3.5675	0.81609	agree

Table 2.5

Due to the result of Table 2.5, the mean of behavioral intention is 3.5675 and the standard deviation is 0.81609. So the level of agreement of behavioral intention is considered as agree level.

3. Relationship between perceived value and customer satisfaction

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std Error	Beta		
1 (Constant)	1.791	.159		11.267	.000
Perceived value	.533	.046	.506	11.715	.000

Table 3

The relationship between perceived value and customer satisfaction is positive. The perceived value (t=11.715, p<0.01) contribute to the customer satisfaction. So the customer satisfaction in telecommunication service is greater.

4. Relationship between service quality and customer satisfaction

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.431	.178		2.416	.016
Tangible	.212	.059	.177	3.582	.000
Reliability	.181	.057	.174	3.171	.002
Responsiveness	.024	.054	.026	.450	.653
Assurance	.395	.061	.374	6.485	.000
Empathy	.055	.056	.055	.996	.320

Table 4

The relationship between service quality and customer satisfaction is positive relationship. According to the table 4.7, tangible (t=3.582, p<0.01), reliability (t=3.171, p<0.01), responsiveness (t=0.485, p<0.01), assurance (t=6.485, p<0.01) and empathy (t=0.055, p<0.01) contributes to the customers' satisfactions.

5. Relationship between marketing mix and customer satisfaction

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.147	.163		.903	.367
Product	.300	.039	.313	7.685	.000
Price	.079	.045	.75	1.761	.079
Place	-.003	.043	-.003	-.068	.946
Promotion	.033	.043	.34	.768	.443

Table 5

Due to the results of Table 5, the relationship between marketing mix and customer satisfaction is positively relationship. Specifically, product (t=7.685, p<0.01), price (t=1.761, p<0.01), place (t=-.068, p<0.01) and promotion (t=.768, p<0.01) contribute to the customer satisfaction. However, the price, place, promotion are do not affect the customer satisfaction at a statistically significant level at 95%.

6. Relationship between customer satisfaction and behavioral intentions

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.610	.143	.727	4.276	.000
customer satisfaction	.818	.039		21.125	.000

Table 6

As the result of table 6, regression analysis identified customer satisfaction (t=21.125p<0.01) influencing behavioral intention and the relationship between customer satisfaction and behavioral intentions is positive. Therefore, the customer satisfaction is the greater in the behavioral intention.

7. Summary of hypothesis testing.

The summary of hypothesis testing was analyzed on perceived value service, service quality with the sub-variable as tangible, reliability, responsiveness, assurance and empathy, marketing mix with the sub-variables as product, price, place and promotion, customer satisfaction and behavioral intention.

No. of Hypothesis	Description	Result
H_1	Perceived valued affects cusotmer satisfaction.	Accepted
H_2	Service quality affects customer satisfaction.	Partially supported
H_3	Marketing mix affects customer satisfaction.	Partially supported
H_4	Customer satisfaction affects behavioral intention.	Accepted

Table 7

Conclusions and Discussion

The summarizing of the results explained based on the research objectives as per follow:

Objective 1: To search which factors affecting customer satisfaction in using mobile telecommunications

The perceived value, service quality, reliability and assurance, as well as some marketing mix (product and price) significantly affect the customer satisfaction.

Objective 2: To explore the relationship between customer satisfaction and behavioral intention in mobile telecommunication service

The relationship between customer satisfaction and behavioral intention in mobile telecommunication service is positive and the test of hypothesis was accepted.

The results of hypotheses test with the literature review or theory for more understanding in the recent situation in using telecommunications service in Vietnam. There is a significant relationship between the perceived values and customer satisfaction, between the service quality and customer satisfaction, between the marketing mix and customer satisfaction and between the customer satisfaction and behavioral intention. The result shows that the customer satisfaction effects to behavioral intention.

As per result of perceived value, telecom company should focus on how to make customer get a good mobile telecommunication service with a reasonable price, how to make customer sacrifice time and efforts in purchasing their mobile telecommunication services. As per the findings of this study service quality, Telecommunication Company should focus on the tangible, reliability, and assurance of service quality. Because these three dimensions of service quality is the significant relationship with customer satisfaction in using telecommunication service in Vietnam. As per results of marketing mix, Telecom Company should focus on the product and price in Vietnam. This study helps to find the correct policy direction, to strengthen Vietnam mobile telecommunication service market management and telecom company management.

References

AIS (2011). *Investor relations fact sheet.* Advanced info service plc, www.ais.co.th.

Ajzen, I. (1985). *From Intention to Actions: A Theory of Planned Behavior.* In J. Kuhland J. Beckmann (Eds.), Action Control: From Cognition to Behavior. Berlin: Springer.

Andreassen T.W. & Lindestad B. (1998).*The Effect of Corporate Image in the Formation of Customer Loyalty.* J. Serv. Manage.

Bearden, W.O. & Jesse, E.T. (1983). Selected Determinants of Consumer Satisfaction and Complaint Reports. *Journal of Marketing Research,20*(1), 21-28.

Berman, B. (1996). *Marketing channels.* United States: John Wiley & Sons.

Collier, J.E. and Bienstock, C.C. (2006). Measuring service quality in e-retailing. *Journal of Service Research, 8*(3),260-275.

Copley, P. (2004). *Marketing communications management: concepts and theories*. cases and practices Oxford: Butterworth-Heinemann.

Kotler P. & Keller K. (2006). *Marketing Management*. 12th Edition. Pearson Education Inc: New Jersey.

Oliver, R. L. (1997). *Satisfaction: A Behavioral Perspective on the Consumer.* NY:The McGraw-hill Companies, Inc.

Rust, R. T., Zahorik, A. J., & Keiningham, T. L. (1996). *Service marketing.* New York: Harper Collins College.