The Determinant of Customer Satisfaction on Mobile Money Transfer Users

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Abstract

the purpose of this study is to investigate the determinants of customer satisfaction on mobile money transfer (MMT) users in Ghana. The criteria for measuring customer satisfaction were service quality, service charge and perceived valued. Out of eight hundred (830) questionnaires distributed to the population, four hundred and thirteen (413) returned their questionnaire. With the aid of Statistical Package for the Social Science (SPSS) Descriptive Statistics and Regression Analysis were done base on the three main variables in the study. The result shows that all of the three (3) constructs; service quality, service charge and perceived valued reveal positive significant statistical relationship with customer satisfaction. The study recommended that. Network providers should open many new outlets and employ more officers to reduce long queues and inconvenience MMT users go through.

Keywords: Network providers; Subscribe; Service charge; Service quality.

Introduction

Many researchers (Oliver, 1981; Brady and Robertson, 2001; Lovelock, Patterson and Walker, 2001) conceptualize customer satisfaction as an individual's feeling of pleasure or disappointment resulting from comparing a product's perceived performance (or outcome) in relation to his or her expectations. Generally, there are two general conceptualizations of satisfaction, namely, transaction-specific satisfaction and cumulative satisfaction (Boulding et al., 1993; Jones and Suh, 2000; Yi and La, 2004). Transaction-specific satisfaction is a customer's evaluation of his or her experience and reactions to a particular service encounter (Cronin and Taylor, 1992; Boshoff and Gray, 2004), and cumulative satisfaction refers to the customer's overall evaluation of the consumption experience to date (Johnson, Anderson and Fornell, 1995).There are overwhelming arguments that it is more expensive to win new customers than to keep existing ones (Ennew and Binks, 1996; Hormozi and Giles, 2004). This is in line with Athanassopoulos, Gounaris and Stathakopoulos's (2001) arguments that customer replacement costs, like advertising, promotion and sales expenses, are high and it takes time for new customers to become profitable.

For many years customer satisfaction has been a major goal of business organizations, since it has been deemed to affect customer retention and companies' market share (Hansemark and Albinsson, 2004). Traditionally, satisfied customers have been thought of as less price sensitive, less influenced by competitors, buying additional products and/or services and staying loyal longer (Zineldin, 2000). Yet, in 1991 the Xerox Corporation made a surprising – and disquieting – discovery. It was found that ''satisfied'' customers were not behaving the way they were expected; they were not coming back to Xerox to repurchase (McCarthy, 1997).

Problem of the study

Mobile Money enables its users to do money transfers, deposit and withdraw money and top up airtime from their phone or from any Mobile Money authorized merchant. Mobile Money Transfer is an innovative service from network providers, accessible 24 hours, 7 days a week from your phone menu and is secure, convenient, fast and easy to use. Mobile financial services that allow customers to use mobile phone as a mobile bank account. It provides clients with easy way of sending and receiving cash and buying airtime credit using a mobile phone anywhere in Ghana.

Customers can deposit and withdraw cash from their mobile phone with any authorized agents or Customer service centers .Out of the six network providers in Ghana, only three has mobile money transfer facilite;MTN mobile money transfer, Airtel Money and Tigo cash. Foreigners benefit from this service as well. Persons below the age of 18 (minor) cannot open an account. A person above the age of 18 may however open an account to be held in trust for a minor. The service offers subscribers the opportunity to make payments numerous services including online shopping, Insurance premium, restaurants services (with delivery), ticket purchases and payment for general goods and services.

However, anytime the service provider's network is poor no transaction is made till it resurfaces. Aside, non subscribers pay high service charge or are sometimes refused to send or receive money at all. MMT has its own challenges, the unanswered question remain, as "are the senders and receivers of cash satisfied, what determines customer satisfaction? The researcher has not seen any empirical research critically examine on MMT in Ghana. It is against this backdrop that is why the researcher considers it necessary to evaluate the determinant of customer satisfaction on mobile money transfer users.

Objective of the study

The purpose of this study is to investigate the determinant of customer satisfaction on mobile money transfer users. The specific research objectives of the study are;

1. To evaluate the relationship between Service quality and customer satisfaction.

2. To investigate the relationship between Service charge and customer satisfaction.

3. To access the relationship between Perceived value and customer satisfaction.

Research Hypotheses

H1: There is a significant positive relationship between service quality and customer satisfaction.

H2: There is a significant positive relationship between service charge and customer satisfaction.

H3: There is a significant positive association between Perceived value and customer satisfaction.

Justification of the study

The research will unearth both theoretical and empirical thought that will provide a good insight into the determinants of customer satisfaction on MMT user in Ghana. It is believed that, the exposure of this study will help MMT providers to appraise the strategies of customer satisfaction in Ghana. Finally, it will eliminate all prejudices and misconceptions on MMT in Ghana.

Theoretical background and hypotheses development

Factors such as service quality, service charge perceived values that determine customer satisfaction (Wilson et al. 2008, p. 78-79).

The determinants of customer satisfaction
Service quality
Service quality, from the clients' or the customers' point of view, appears as a multidimensional concept (Parasuraman et. al, 1991; Cronin and Taylor, 1992; McDougall and Levesque, 2000; Sureshchandar et al., 2002; Kang and James, 2004; Hakis et. al., 2000; Bigne et.al, 2003).The gap between customers' expectation and real performance of a service is termed as service quality (Parasuraman et al., 1985; 1988).
The improvement of service quality, perceived value, and satisfaction ensure customer loyalty (Kuo et al., 2009; Lai et al., 2009; Wu and Liang, 2009). Gronroos (2000) refers to three dimensions of output technical quality, service performance quality, and organization's mental picture. Also, Lehtinen and Lehtinen (cited in Harrison, 2000) have referred to dimensions of physical quality, interactive quality, and organizational quality as three dimensions of service quality

Service charge
Service charge is termed as the amount of payment requested by the seller of services. Service charge as well as price is determined by several factors such as willingness of the buyer to pay, willingness to accept, costs, markup, legal environment, intensity of competition price substitute products, etc(Rahim M, Osman M,& Ramayah2010). Price fluctuations in many service industries results in price-performance and the level of price-performance stability moderates the relationship between performance potential and successive performance and satisfaction judgments (Voss et al., 1998).
The perceived price fairness related to different level intangible services has direct or indirect effect on customer loyalty in case of banks, auto repair and maintenance shops, and (gasoline) filling stations (Lien and YuChing, 2006).
Perceived value
Perceived value is customers' psychological assessment regarding the product and service about the utility of that product or service comparing with expectation (Rahim M, Osman M,& Ramayah2010). Recently value perceptions have been focused by marketing researchers and managers to explain customer satisfaction and loyalty (Lin and Wang, 2006). To assess value perception customers consider perceived benefits relative to sacrifice (Lee et al., 2007). Except monetary sacrifice perceived value assessment includes social psychological perspective and non monetary costs such as search cost, transaction cost, negotiation cost, and consumption of time (Kuo et al., 2009; Chen and Tsai, 2008).

Conceptual frame work

Source ;(self) the determinants of customer satisfaction.

METHODOLOGY

A quantitative design using the survey method was used in the empirical segment of the study (Terre Blanche, Durrheim & Painter 2006). In quantitative research, data are quantified to apply statistical techniques in order to gain meaningful insights into relationships (Hair, Bush & Ortinau 2000). The survey method was selected because it easily facilitates the collection of data from large groups of respondents, is inclusive in the number of variables that can be studied, requires minimum investment to develop and administer and is relatively easy for making generalizations (Zikmund et al.2009).

Participants

The target population comprised receiver and senders of mobile money transfer. Since there was no sample frame available for the study, convenience sampling "A convenience sampling is available to the researcher by virtue of its accessibility" (Bryman & Bell, 2003, p. 105) was used in order to identify suitable respondents. 413 out of the 830 individuals who were requested to participate in the study returned the questionnaires. Respondents were recruited from Tema, Legon and Dansoman suburb in the Greater Accra Region of Ghana.

Data collection

Data were collected through the use of a structured questionnaire. The questionnaire was divided into five sections. Section A elicited general and biographical information about respondents. Section B elicited information on respondents' service quality. The questions in Section B were adapted from previous studies conducted by (Rahim M, Osman M,& Ramayah2010). Section C (Rahim M, Osman M,& Ramayah2010) sought information on respondents' service charge. Likert scales anchored by strongly disagree (1) and strongly agree (5) were used in the questionnaire. After its construction, the questionnaire was pre-tested in Madina , Ghana with a conveniently selected sample of 50 respondents to eliminate problems as well as to determine the time for the completion of the questionnaire (Presser et al. 2004).

Regression analysis

Multiple regression analysis relates independent and dependent variables in a manner that takes mathematical inter-correlation into account (Malhotra 20011a). It is a statistical technique that can achieve the best linear prediction equation between independent variables and dependent variables (Aldlaigan & Buttle 2002).

The three dependant variables, namely service quality, Service charge and Perceived charge, it was necessary to establish the strength of the predictive relationships between the variables. Regression analysis was undertaken in order to examine the correlation more closely and to examine the effects of the independent variables on the dependent variable.

To test predictive relationships, service quality, service charge and perceived value were used as the independent variables and customer loyalty was used as the dependent variable.

FINDINGS

Following the guidelines indicated in the research methodology section, we collected data in 2012.

Demographic information

Table 1; Demographic information

Variables	Frequency	Percentage
Gender		
Female	302	73.2
Male	111	26.8
Total	413	100.0
No. of transaction on MMT		
1-5	97	23
6-10	58	14
11-15	49	12
15 and above	209	51

Survey results, 2013

In the demographic analysis in the table 1 shows 73.2% are females remaining 26.8% are males. With regards to the number of times on MMT,23% of the respondents have received or send money through the use of MMT 1-5 times ,14.0% 6-10 times, 12.0% 11-15 times and 51.0% 15 and more.

Descriptive Statistics

Table 1: Descriptive Statistics

variables	N	Mean	Std. Deviation
Service quality	413	4.1786	.71530
Service charge	413	4.0267	.72934
Perceived Valued	413	4.0434	.77943
Customer satisfaction	413	4.1543	.80974

Source field work 2013

From Table 2:, it is observed that almost all the means are in the same range and the highest mean was 4.1786 representing Service quality whilst the lowest mean was 4.0434 representing Perceived value. Therefore this study relied on all the three (3) construct of determinants of customer satisfaction.

Testing of Research Hypotheses

H1: There is a significant positive relationship between Service quality and customer satisfaction.
Table 3; Model Summary

Model Summary between **Service quality** and customer satisfaction

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.109(a)	.411	.001	.8156

a Predictors: (Constant), **Service charge**, **Perceived value**
Source field work 2013

Table 4; ANOVA (b)

ANOVA (b) between **Service quality** and customer satisfaction.

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.675	2	.665	0.013	.003(a)
	Residual	56.245	199	.675		
	Total	78.145	201			

a Predictors: (Constant), **Service charge**, **Perceived value**

b Dependent Variable customer satisfaction

Source field work 2013

Table 5; Coefficients (a)

Coefficients (a) between **Service quality** and customer satisfaction.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.546	.344		0.014	.000
	Perceived value	.067	.056	0.10	9.598	.004
	Service charge	004	.060	.004	8.056	.004

a Dependent Variable customer satisfaction .

Source field work 2013

The R square in this model is 0.41, which means 41 percent of the variation of total customer satisfaction could be explained by **Service quality**.
From the ANOVA table, the p-value of the F-test is 0.013, which lower than 0.05. There is a positive significant linear relationship at a significant level of 0.05. Therefore, **Service quality**
 has a significant linear relationship with customer satisfaction.

For the significant of each individual variable, t-test was used for analysis. The p-value of **Perceived value** was 0.04 and which meant these variables have positive significant linear relationship with customer satisfaction significant level 0.05. The P-value of service charge was 0.04, which lower than 0.05. It has positive significant linear relationship at level of 0.05. So, this variable should be accepted in the model. Therefore the null hypothesis is rejected

H2: There is a significant positive relationship between Service charge and customer satisfaction.
Table 6; Model Summary

Model Summary between Service charge and customer satisfaction.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.117(a)	.044	.003	.91436

a Predictors: (Constant), **Perceived value** , service quality

Source; fieldwork 2013

Table 7;ANOVA(b)

ANOVA(b) between Service charge and customer satisfaction .

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.087	2	.604	0.014	.000(a)
	Residual	95.000	189	.477		
	Total	76.819	209			

a Predictors: (Constant), **Perceived value**, **Service quality**
b Dependent Variable: customer satisfaction .

Source; fieldwork 2013

Table 8;Coefficients(a)

Coefficients(a) between Service charge and customer satisfaction .

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	6.300	.310		6.870	.000
	Service quality	.014	.034	.033	5.00	.002
	Perceived value	.076	.046	0.14	7.598	.003

a Dependent Variable: customer satisfaction .

Source; fieldwork 2013

The R square in this model is 0.44, which means 44 percent of the variation of total customer satisfaction could be explained by service charge.

From the ANOVA table, the p-value of the F-test is 0.014, which lower than 0.05. There is a positive significant linear relationship at a significant level of 0.05. Therefore, **Service charge** has a significant linear relationship with customer satisfaction.

For the significant of each individual variable, t-test was used for analysis. The p-value of was 0.02 and w **Service quality w**hich meant these variables have positive significant linear relationship with customer satisfaction significant level 0.05.

The P-value of **Perceived value** was 0.03, which lower than 0.05. It has positive significant linear relationship at level of 0.05. So, this variable should be accepted in the model. Therefore the null hypothesis is rejected

H3: There is a significant positive association between Perceived value and customer satisfaction.

Table9; Model Summary

Model Summary between Perceived value and customer satisfaction.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	1.41(a)	.032	.0168	.61795

a Predictors: (Constant), , **Service charge** ,**Service quality**

Table 10;ANOVA(b)

ANOVA(b) between Perceived value and customer satisfaction .

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.128	2	.054	0.048	.000(a)
	Residual	76.901	159	.382		
	Total	77.00	231			

a Predictors: (Constant), **Service quality**, **Service charge**

b Dependent Variable: customer satisfaction .

Table 11; Coefficients (a)

Coefficients (a) between Perceived value and customer satisfaction.

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	4.005	.324		0.059	.000
	Service charge	.001	.060	.002	4.021	.001
	Service quality	.031	.054	.031	2.677	.004

a Dependent Variable: customer satisfaction .

Source; field work 2013

The R square in this model is 0.32, which means 32 percent of the variation of total could be explain customer satisfaction by **Perceived value.**

From the ANOVA table, the p-value of the F-test is 0.048, which lower than 0.05. There is a positive significant linear relationship at a significant level of 0.05. Therefore, **Perceived value** has a significant linear relationship with customer satisfaction.

For the significant of each individual variable, t-test was used for analysis. The p-value of Service charge was 0.01 and which meant these variables have positive significant linear relationship with customer satisfaction significant level 0.05.

The P-value of **Perceived value** was 0.03, which lower than 0.04. It has positive significant linear relationship at level of 0.05. So, this variable should be accepted in the model. Therefore the null hypothesis is rejected

DISCUSSION

The empirical results support all hypotheses H1, H2,and H3, The empirical results found significant positive relationship among service quality, fair service charge, perceived value and customer satisfaction. This support the findings of(Mohammed B & Bilkis A 2012), 400 questionnaires were distributed to the general people who have at least one bank account in Bangladesh and concluded that service quality, service charge and perceived value has a positive significant with customer satisfaction. This result is also consistent with finding of other scholars (Cronin and Taylor, 1992; Hutchinson et al., 2009; Iyer and Evanschitzky, 2006; Varki and Colgate, 2001). Usually, service quality is the important predictor of customer satisfaction, but this study establishes service charge fairness has great impact on customer satisfaction simultaneously with service quality Mohammed B & Bilkis A 2012).

Again, Customer satisfaction is affected by the price/service charge awareness (Iyer and Evanschitzky, 2006; Varki and Colgate, 2001). Customer satisfaction tends to positive post purchase behavior, thus, satisfaction plays a mediating role in the relationship of perceived value and behavioral intentions (Lin and Wang, 2006). Among the determinants of satisfaction perceived value is the important one (Chen and Chen, 2010) and perceived value plays mediating role between service or product quality and customer satisfaction (Chen and Tsai, 2008). Service quality and fair service charge both have significant, direct effects on perceived value. Then, perceived value influences on customer satisfaction that lead to positive behavioral intentions, i.e. customer loyalty (Lai et al., 2009)

RECOMEMTATION

This result has managerial implications. In order to operate Mobile money transfer successfully, marketing managers should emphasize the quality and charge fairness. It takes a lot of integrated activities to make customers satisfied. Once the client is satisfied there is a possibility of becoming loyalty. Besides, as the transaction is purely done through the use of sound strong both at the sending and receiving end, engineers' must constantly monitor the strength of net work. Network providers should open up new centers and employ more officers to reduce long queues and inconvenience MMT users go through. Regular research into customer satisfaction should be encouraged since it is clear that even though customers may not be satisfied, they do not have any alternative yet.

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