PRICE FAIRNESS, SERVICE RECOVERY AND CUSTOMER SATISFACTION IN THE MOBILE TELECOMMUNICATION INDUSTRY IN NIGERIA

BY

OMOERA, CHARLES IGHEDOISE

B.Sc. (Hons.) (Bus. Admin., 2001) Unilag, M.Sc. (Marketing, 2007) Unilag

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A THESIS IN THE DEPARTMENT OF BUSINESS ADMINISTRATION SUBMITTED TO THE SCHOOL OF POSTGRADUATE STUDIES, UNIVERSITY OF LAGOS, IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF DOCTOR OF PHILOSOPHY (Ph.D.) MARKETING OF THE UNIVERSITY OF LAGOS

FEBRUARY 2017

APPROVAL

This research work has been approved for the Department of Business Administration, Faculty of Business Administration and the School of Postgraduate Studies, University of Lagos.

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CERTIFICATION

This is to certify that the Thesis:

PRICE FAIRNESS, SERVICE RECOVERY AND CUSTOMER SATISFACTION IN THE MOBILE TELECOMMUNICATION INDUSTRY IN NIGERIA

Submitted to the School of Postgraduate Studies, University of Lagos

For the Award of the Degree of

DOCTOR OF PHILOSOPHY (Ph.D.)

is a record of original research carried out

BY

OMOERA, CHARLES IGHEDOISE

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DEDICATION

This thesis is dedicated to

God Almighty, Creator of heaven and earth, who granted me the privilege to be born into this world

and

Mr. Kolawole Adesina, who left his class to allow me lecture a class for the first time in my life

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ABSTRACT

The life wire and the bedrock of any business is customer satisfaction. Evidently, the available market is one major considerations for the success of the telecommunication industry in Nigeria. Companies providing telecommunication services have been striving to seek effective pricing strategies and subscribers' perceptions of price fairness. In addition, the rate at which services fail and are subsequently recovered in the Nigerian mobile telecommunication sector is hugely disturbing. The need to understand the relationship between subscribers' perceived price fairness and service recovery on customer satisfaction have necessitated investigation into this study. Four objectives were put forward for consideration and were basically translated into corresponding hypotheses in order to provide answers to the research questions. In order to achieve these objectives, a cross-sectional survey method was adopted using the descriptive research design. A well-structured questionnaire was used also as data collection instrument. The entire subscribers of the four active telecommunication network providers in the five divisions of Lagos State were taken as the study population. Multi-stage sampling technique was employed to draw the sample size of 610 from the target population. The data collected were subjected to analysis by percentages, mean score, standard deviation and frequency tables. The stated hypotheses were tested using the Pearson's Product Moment Correlation, Simple Regression and Multiple Regression analyses, with the aid of the Statistical Package for Social Sciences (SPSS) software version 20.0. The findings revealed that perceived price fairness is significantly related to customer's satisfaction (R = 0.451, P =0.000 < 0.05) and perceived price fairness and service recovery when combined together, have significant effect on customer's satisfaction with multiple R (0.549). It is recommended that Government, while playing its regulatory role, should enact laws to protect subscribers from being exploited through abnormal pricing or provision of poor service.

Key words: Price Fairness, Service Recovery, Customer Satisfaction, Mobile Telecommunication, Subscriber

CHAPTER ONE INTRODUCTION

1.1 Background to the Study

The success of any business organisation depends mainly on the customer whose satisfaction, loyalty and retention cannot be compromised because it is less expensive retaining them than to attract new ones (Dick & Basu, 1994; Saren & Tzokas, 1998; Fournier & Yao, 1997). The life wire and the bedrock of any business is customer satisfaction (Drucker, 1973). In this regard, it can be said that the available market is one major consideration for the success of the telecommunication industry in Nigeria. This is partly the reason the telecommunication industry has continue to thrive. Therefore, satisfying this market, made up of a huge subscriber base of 148.74 million as at March, 2016 (Nigerian Communication Commission (NCC) 2016) becomes a matter of great concern. Every business organisation strives to satisfy its customer so as to achieve sustained profit. Subscriber's behaviour to service recovery and perception of price fairness are of great concern, given that they determine the level of satisfaction. Often, consumers are not bothered by the fact that failure occurs, but are more interested in how the failed service(s) are handled. According to McCole (2004), customer satisfaction is not only associated with faulty free services, but also with what management of the firm can do when an error is detected and reported.

Customer satisfaction as a construct is considered as a subjective issue. Therefore, there is no tidy definition for it. However, the widely accepted definition is that satisfaction is consumer's fulfillment response. It is a judgment that a product or service attributes should provide a pleasurable level of consumption-related fulfillment, which may fall short or above the fulfillment (Oliver, 1996). From this idea, satisfaction can be regarded as subjective because its

judgment is based on consumers' perception or opinion. As it relates to this study, it is seen as the personal evaluation of "after-use" experience of whether actual product performance meet expected performance. The drivers of customer satisfaction could be viewed from two angles. First, there is price fairness entailing the individual evaluation of whether the difference between the provider's price and the price of comparative other (refer to as reference other) and the consumer's perception of what the price should be is reasonable, acceptable and justifiable (Gronroos, 1988). The second is in the area of service recovery involving an understanding of providers' effort at correcting errors, occasioned by service failure (Gronroos, 1988).

Customer satisfaction has assumed an important position in marketing literature because a satisfied customer can create a long-term benefit for organisations, including customer allegiance and continued prosperity (Homburg, Koschate & Hoyer, 2006). To sustain this benefit, mobile providers continuously review the price of their services so as to avoid unfair reception judgment from subscribers. Mobile service providers can also be seen as providing an almost immediate response to their complaint and recovering failed service(s) which may not be avoided. This is because service failure cannot be avoided. Fisk, Brown & Bitner, (1993) opined that some features of services such as inseparability and perishability make it practically impossible to attain complete error-free service.

Pricing and customers' perception of price fairness are important issues in any marketing organisation, be it a service or manufacturing outfit (Herrmann, Xia, Monroe & Huber, 2007; Xia, Monroe & Cox, 2004). Sellers are therefore careful when setting a price for a product because a group of buyers whose needs are to be satisfied tend to hold different perceptions about the prices of products and services. This view is usually expressed as fairness or unfairness, using both the price charged and the rationale for offering the price (Xia *et al.*, 2004). Within this context, it is observed that negative perception often contradicts not only the sellers'

objective of making a profit, but their ability to meet the maximum satisfaction of their customers.

Similarly, price fairness and customer satisfaction are two dependent concepts. The relationship between price fairness and customer satisfaction takes a positive posture. This is supported by the view that consumer satisfaction and price sensitivity are determined in part by perceptions of price fairness (Daskalopoulou & Petrou, 2006; Herrmann, *et al.*, 2007; Sinha & Batra, 1999). On its part, Price-fairness may lead to customer satisfaction. However, it may not be the only factor that could influence satisfaction at any given situation. It is generally known that dissatisfaction arises mostly from price-unfairness which usually may hurt customer and persuade them to take adverse option, including negative word of mouth, or engaging in other activities that may demarket the firm (Suter and Hardesty, 2005).

The average consumer is price sensitive and determining whether a given service meets their expectation, require comparing the price paid for the service with the value received. Although the price paid for mobile telecomnuication has reduced, especially when compared to \$\frac{\textbf{N}}{50}\$ per minute in the early days of the introduction of GSM in Nigeria, it is considered that the call rate can further be reviewed downward. This reduction informed consumer's perception of the fairness of the price, especially when compared with the value received and their expectation of the performance.

Individuals' judgment about price fairness constitutes one of the reasons consumers undertake certain actions (Maital, 2004). It is, therefore, important to understand how buyers form price fairness judgments and how such impacts on their judgment of some services and consequently the decision to patronize a given service provider based on the quality of service provided. There is an urgent call for empirical studies regarding the impact of price fairness perceptions on

variables of outcome such as customer's satisfaction and re-purchase intention or customer retention, especially in the context of services failure.

A critical understanding of price-fairness could be enhanced by studies that examine its various dimensions. The present study seeks to discuss the significance of the concept of price fairness perception, and how it may be measured and influenced by some variable outcomes like customer satisfaction. For the purpose of this study, the dimensions of price fairness (flexibility, acceptability, superiority and reasonability) as noted by Srikanjanarak, Omar, and Ramayah (2009) have been adapted. In addition, the study contributed two other dimensions — affordability and objectivity. This is adopted in this study because of the complexity of the Global System for Mobile Communication (GSM) market that is often dictated by economic situation. The added variable raise issues that have adverse impact on consumers by reducing their purchasing power, thus encouraging subscribers to purchase what they can only afford with the available resources. In addition, consumers may consider management to have been objective enough, if other factors as cost, consumer perception and other organisational target which are necessary for setting the price have been considered.

The rate at which services fail and subsequently recovered in the Nigerian mobile telecommunication sector is worrisome. Essentially, service failures range from constant network fluctuation to service unavailability, incomplete calls, and arbitrary charges, among others. These have resulted in subscribers' inundating the service providers with complaints and consequently an attempt by firms to recover the failed service by rectifying the errors and providing solutions to these complaints brought by subscribers (Gronroos, 1988).

However, studies have shown that the service recovery effort may improve customers' quality of perception, delightful, loyalty, and credibility, while the satisfactory service recovery may reduce customers' switching behaviour and by extension promote business survival in general

(Bitner, 1990; Brown, Cowles & Tuten, 1996; Lewis, 2004; McCollough, Berry & Yaday, 2000; Berry & Parasuraman, 1991; Reichheld & Schefter, 2000). Also to be consider is the fact that service failure is practically inevitable, owing to some unique attributes of service such as intangibility and perishability which may make the occurrence of errors more precipitating and make the errors much more likely to occur at the point of consumption (Lewis & McCann, 2004). Hence, a failed service will attract customers' complaints and consequently service recovery.

This study, therefore, undertakes a consideration of service recovery as a factor that determines subscribers' satisfaction in the mobile telecommunication industry adopting the adjusted RECOVSAT Model by Costa, Pugal-Leal, and Pereira, (2012) as dimensions of service recovery. The RECOVSAT Model was first developed by Boshoff (1999) to evaluate customers' satisfaction with service recovery. The assumption underlining this dimension is that service recovery is regarded as multi-dimensional (Costa *et al.*, 2012). Consequently, further adjustment have recently been made to the first model by Boshoff (2005) and (Costa *et al.*, 2012). The adjustments have been termed seven dimensions. They are: (Compensation, Communication, Empowerment, Timely Feedback, Tangibles, Apologies, and Explanations). This model is adopted to assess the mobile telecommunication industry in Nigeria. Nigeria has been adopted for her population advantage in the contnent in Africa and given the fact that her economy makes a conducive market for any investor.

.A review of existing literatures show that little work not much has been done in the subject area in another climate (Smith & Bolton 1998, Sinha & Batra, 1999), while little or nothing has been documented as research work in Nigeria based on searches from journals database. Thus, the empirical relationship between perceived price-fairness, services recovery and customer satisfaction ultimately becomes a contextual issue that is paramount to stakeholders, especially

service providers in the Global System for Mobile Communication (GSM) industry whose business survival depends on maintaining satisfied customers (Keelson & Odei, 2014).

1.2 Statement of the Problem

In the world of business, every marketing activity is directed towards customer satisfaction. However, satisfying the subscribers of the GSM providers in Nigeria remains herculean task. These challenges are eminent in the area of price charged for services that generates unfair perception from subscribers. The other is the constant service failure that results in unsatisfactory service recovery. The problem confronting the telecom industry in Nigeria and other countries is how to satisfy subscribers' whose complaints often emanate from service failure and disparity between perceived service quality and the price paid for telecom services. These challenges may arise as a result of high price, poor service delivery, and inability to correct errors, occasioned by failed services appropriately. Others challenges faced by the network providers may be in the areas of decline in sale and increase in switching behaviour due to customer dissatisfaction. The complaints that bother on service delivery and better pricing reached an unimaginable level. This necessitated the Nigeria Communication Commission (NCC, 2014) to look into the abnormal price increase and poor service delivery in the telecommunication sector, especially the mobile services.

The poor service of the GSM in Nigeria which has become obvious is viewed as a critical factor for defining the satisfaction of the mobile telecommunication subscribers in Nigeria. The service failure of the mobile telecommunication industry is alarming and accounted for why the industry incurred the wrath of the mobile telecom regulatory body in the country. The Nigerian Communication Commission (NCC, 2014) condemned network providers and banned them from carrying out any promotional activities until efficient services are improved. The service failure

stems from network fluctuation, poor service signal, lack of network in some localities, inability to make calls in offices, even when there are networks within the surrounding.

Extant literatures have revealed the negative impact of abnormal price increase. Dawes (2009), for instance, asserts that price increase poses a potential risk to instituting and sustaining long-term customer relationships and allegiance. The study further notes that a rise in price would result in customer's movement to rival's companies, thereby leading to reduction in the number of existing customers and market share. A subscriber who has built a long-term relationship with a firm is likely to be price sensitive (Reichheld & Sasser 1990; Reichheld & Teal 1996). Similarly, poor service quality may lead to a decline in sales (Shaharudin, Mansor, Hassan, Omar, & Harun, 2011). The fall in sales is the accumulated effect of the dissatisfied customers' reaction who may not continue to tolerate the poor service quality.

Determining the relationship between price fairness and service recovery remains daunting in the telecom industry (Xia *et al.*, 2004). Whether consumers consider price as fair or not, they imply service providers should provide an error free service that is commensurate with what they pay. The reverse is often the case in Nigeria. Services provided are often poor and of a relatively high price. This brings about the idea of subscriber's perception of the fairness or otherwise of a price. In the long run, it determine consumer's satisfaction or dissatisfaction.

Pricing issue involves not only service providers who will always consider any price charged as low. The tendency to achieve the marketing and organisational objective will come above the interest of the consumer. However, on the part of the consumer, a price set for any product is considered as high, and the assumption is that the burden of the production cost is transferred to the consumer. On the one hand, there is the complaint of high price for a product and on the other is the issue of poor service delivery. No doubt, both price fairness and service recovery have been well-researched.

Noticeably, there has been no sustained study that has undertaken a survey of the two independent variables — price fairness and service recovery. This study therefore makes an intervention by domesticating the study on the two independent variables in Nigeria.

1.3 Aim and Objectives of the study

The aim of this study is to investigate the relationship between perceived price fairness, service failure recovery, and customer satisfaction in the Nigerian Mobile telecommunication industry. To achieve this, a model showing the relationship among perceived price fairness, service recovery, and customer satisfaction has been developed. Other specific objectives are to:

- (i) examine the extent to which perceived price fairness is related to customer's satisfaction in the Nigerian mobile telecommunication industry.
- (ii) assess the relationship between service recovery and overall customer satisfaction in the Nigerian mobile telecommunication industry.
- (iii) investigate the extent to which the subscriber's perceived price fairness is related to service recovery in the Nigerian mobile telecommunication industry.
- (iv) determine whether perceived price fairness and service recovery significantly affect customer's overall satisfaction in the Nigerian mobile telecommunication industry

1.4 Research Questions

The following questions guide the enquiry:

(i) What is the nature of the relationship between perceived price fairness and customer's overall satisfaction in the Nigerian mobile telecommunication industry?

- (ii) How does service recovery relates to customer's overall satisfaction in the Nigerian mobile telecommunication industry?
- (iii) What is the relationship between subscriber perceived price fairness and service recovery in the Nigerian mobile telecommunication industry?
- (iv) How do perceived price fairness and service recovery affect customer's overall satisfaction in the Nigerian mobile telecommunication industry?

1.5 Research Hypotheses

The study seeks to test the following hypotheses:

- (i) There is no significant relationship between perceived price fairness and customer satisfaction in the Nigerian mobile telecommunication.
- (ii) There is no significant relationship between service recovery and customer satisfaction in the Nigerian mobile telecommunication.
- (iii) There is no significant relationship between perceived price fairness and service recovery in the Nigerian mobile telecommunication.
- (iv) Perceived price fairness and Service recovery do not significantly affect customer satisfaction.

1.6. Significance of the study

The study investigates the relationship between price fairness and service recovery on Customer satisfaction. This subject area is important and therefore requires a full-length study. It is hoped that the study will prove useful for scholars, practitioners, academia, industry managers, policy makers, the general public and all relevant stakeholders who are yearning for fairness in the setting of a price for service in the market-place. The study, in the same way, improve the corporate understanding of how failed services should be adequately recovered. The outcome of this study is expected to improve service quality on the part of service providers in the telecom industry.

Epistemologically, this study seeks to expand the frontiers of knowledge in the area of price fairness and service recovery. It also contributes to literature in terms of theory development and model validation in consumer behaviour. The theoretical contribution of this study emanates from the effort to enrich price fairness dimensions by providing local empirical evidence that reinforces the importance of two additional dimensions (affordability and objectivity) in enhancing customer satisfaction for a profitable business relationship. The validated model in this study provides a useful framework for marketing managers. Thus, providing a more comprehensive understanding of the interrelationships among the three constructs (price fairness, service recovery and customer satisfaction) in the Nigerian telecommunications industry. The future researcher can replicate the model developed in this study.

The study is important to the service sector especially the telecommunication industry. It is revealed that price fairness significantly relates to customer satisfaction. This implies that consumers consider price fairness as an essential factor that influences customer satisfaction of mobile network services in Nigeria. Price fairness should also be viewed as a vital factor in minimizing switching behaviour including the issue of service recovery. Thus, it is imperative to note that management of GSM firms should be objective enough in the setting of the price for their services to attract fairness among the subscribers and ultimately result in customer satisfaction and consequently competitive advantage for the firm. This study is also significant in demonstrating how two variables (perceived price fairness and service recovery) can combine to influence customer satisfaction. What can be derived from this is that the management of the mobile provider will be able to determine the appropriate price that is fair enough for a service considered as high quality.

Fundamentally, the result of this study may stimulate network providers to ensure that all variable input for setting prices are objectively considered. The result also ensure that prompt response is given to failed services, particularly as extant literature within the Nigeria

environment has not given adequate coverage to consumers' reaction to failed service. This work is important in encouraging stakeholders involved in the provision of mobile network service to identify their shortcomings and formulate and implement pricing and recovery strategies that match and surpass customers' expectations.

The significance of this work also rest on its ability to help management of the mobile telecommunication to ascertain the needs and desires of subscribers in a manner that will increase customer satisfaction and prevent the intervention of consumer protection organisation. The work should also drive the management in a direction that is capable of improving the quality of service provided. This will help to overcome the incidence of service failure and identify appropriate strategy or variable that consumer considers more important in promoting service recovery outcomes, as well as improve the quality of service recovery. In the process, the interactive relationship between mobile telecommunication firms and subscribers are likely to be enhanced. In a fundamental way, it will also guide business concept in the area of New Product Development in a manner that will lead to profitable sales and substantial market size.

This study is important to the policy makers and government regulatory bodies in the telecommunication industry. The findings of this study will provide areas for policy reform, guideline and monitoring of mobile network service providers. It ultimately serves as the providers' correction to the observed inadequacies of the Nigerian Communication Commission (NCC) and seek to influence the policy direction in favour of the parties.

The consumer who ultimately bears the burden of cost transferred to them even with poor quality delivery, will benefit from the finding of this study through the setting of objective, and fair price as well as standard service quality.

1.7. Scope and Delimitation of the Study

The study focused on the cross-sectional investigation of price fairness and service recovery determinants of customer satisfaction in the Nigerian mobile telecommunication industry. The choice of telecommunication industry stems from the fact that it is one of the sectors in the Nigerian economy that has recorded an impressive growth in terms of its contribution to the country's Gross Domestic Product (GDP) and employment opportunities. Also, the study is delimited to mobile networks situated in Lagos State, Nigeria. It is also designed to take place in Lagos State. This is because apart from being one of the most populated states in the country, Lagos State is made up of people from diverse ethnic, religion groups and different educational background (NCC, 2008). Important as well is the fact that the State is the most urbanised in Nigeria and currently serves as the commercial hub of the country (CBN, 1999). This perhaps explains why most of the headquarters of mobile telecommunication service providers are located in Lagos State. This study, in addition, covers the four mobile service providers. They are: Mobile Telecommunication Network (MTN), All India Retail Telecommunication (AIRTEL), Global Communication Limited (GLO), and Emirates Telecommunications Corporation (ETISALAT). These network operators are the most active in the industry (NCC, 2016).

1.8. Operational Definition of Terms

Some key terms have been used in this study. The terms deserve some explanation in the way that they have been applied in this work. They are:

Competition: is a rivalry between two or more companies over the same group of customers. It is the contest displayed among mobile network providers through the various promotional activities to persuade or win subscribers.

Customer perception: This is the individual buyer's interpretation of the world and event around them. It also reflects the individual's subjective opinion or evaluation of how the price charged for a service appeal to them.

Customer Satisfaction: Personal evaluation of after use experience of whether product performance meet expected performance. It also shows the subjectivity in subscriber's assessment of a product after use, since satisfaction is relative and depends on what individually expects as a performance from a product.

Global System for Mobile Telecommunications (GSM): GSM is a digital mobile phone system. It is one of the world's main second generation (2G) wireless standards now tending towards the (4G) used on mobile phone networks.

Service recovery: The service providers' effort to correct errors occasioned by a service failure. The implication of this is that there must have been a service failure and consequent complaint to the provider whose struggle will tend toward recovering the service.

Price Fairness: This is the consumer's personal evaluation of whether the difference between a provider's price and that of other providers as well as consumers' opinion of what the price should be is reasonable, acceptable, or justifiable.

Service failure: This entails the inability of service provided to meet the expectation of consumers in terms of performance. It means that a failed service is first observed by the consumer. Although there are obvious failures, there are others that are relative to individual consumers

Subscriber: This is used interchangeably with customer/consumers, considered as those who buy and consume the products from mobile service providers.

CHAPTER TWO

LITERATURE REVIEW

2.1 Preamble

This study is divided into four parts. The first is the review of theories employed in this study. The second discusses the conceptual framework of price fairness perception and service recovery and their relationship with consumer/subscriber satisfaction. In this regard, the dimensions of price fairness and service recovery will be discussed. A review of the Nigerian mobile network providers will also be undertaken with the specific interest on the active four in the country. While the third part of the review features previous empirical studies that are relevant to this study, the fourth part attempts a summarization of the reviews done in relation to the overarching aim of the present study.

2.2 Theoretical Framework

A better understanding of a set of relevant theories requires that one should critically examine and explore other bases for interpretation of the theory. Explaining a theory does not end with providing the conventional definition and meaning, but utilising the relevant concepts that may be drawn from it. Past studies have explored different theories as a foundation for their study. For instance, Equity theory has been widely used in both price fairness, service recovery as they relate to customer satisfaction ((XiaoRan & Omar 2014; Kau & Loh 2006; Hoffman & Kelly 2000; Maxham and Netmeyer, 2003; Xia, et al., 2004). Social exchange, (XiaoRan & Omar 2014; Smith et al., 1999; Srikanjanarak, et al., 2009). Social comparison theory (Xia, et al., 2004; Van den Bos, Wilke, Lind & Vermunt 1998), disconfirmation theory (Smith et al., 1999; Kaura 2012) and Dual entitlement (Kahneman, Knetsch, and Thaler 1986b). Hoffman and Kelly (2000) applied the social exchange theory to a service recovery process and suggested that subscribers compare their total inputs (economics, time, energy, and psychic cost) against their total outputs (cash refund, apology, replacement, and manner of staff) when appraising service

recovery efforts. Smith, Bolton and Wagner, (1999) asserted that failure to consider disconfirmation as a determinant of postrecovery satisfaction could lead to misrepresentative in conclusions relative to how other organisations's recovery encounter is influenced.

Three major theories stand out as bases for consumer perception of price fairness judgment, service recovery and customer satisfaction. These are: Equity Theory, Social Comparison Theory and Disconfirmation Theory.

2.2.1 Equity Theory

Equity theory was initiated by Adams (1963, 1965). The theory holds that parties to exchange process are not only concerned with both fairness of outputs and outright its level, but with the fairness of outcomes for both parties involved in transactions (Adams, 1963, 1965). As a theory, it emphasizes the importance of fairness of the outcomes to the parties that carried out the transaction. This fairness is given more prominence when there is need to compare the input/output to that of other(s) often refers to as "reference others." Arguably, Equity theory derives its application in the study of price fairness perceptions (e.g., Martins & Monroe, 1994; Martin-Ruiz & Rondan-Cataluna, 2008; Oh, 2003; Xia *et al.*, 2004), and service recovery (Blodgett, Granbois, &Walters, 1993; Goodwin & Ross, 1992; Kelley & Davis, 1994).

The Equity theory is premised on the assumption that in a situation where inequity (dissatisfaction) is perceived as a result of discrepancy in the input/output ratio in relation to the reference others, the perceiver will exerts effort to restore equity, Adams (1965), by engaging in negative behaviour, such as negative word of mouth, patronizing competitors' product and possibly de-marketing. Equity theory is based on the theory of perceived justice. Justice perception hinges on three dimension,: namely: distributive justice, procedural justice and interactional justice (Ha & Jang, 2009; Kim, Zhang & Yang, 2008).

2.2.2. Social Comparison Theory

The Social comparison theory as developed by Festinger (1950)., is a theory of informal social communication. Festinger was a student of Kurt Lewin, who in his field study (1951), theorized about influence of the environment (including situation and other people) on the individual. Social comparison is an essentially social phenomenon where human beings compare themselves with others for self-evaluation and information- seeking. While the original theory of social comparison (Festinger, 1954) emphasized social comparison as a secondary choice when objective information to evaluate oneself is not available, subsequent research suggests that social comparison is a central feature of human social life (Buunk & Gibbons, 2007).

They added that individuals differ quite a bit in their tendency to compare themselves with others. The theory has also extended to different types of opinion comparison, including preference assessment, belief assessment, and preference prediction (Suls, Martin & Wheeler, 2000). The realm of Social Comparison theory continues to expand into new areas, including the study of economic behaviour (Karlsson, Dellgran, Klingander & Garling, 2004).

Early research shows that given a price discrepancy, a comparison with a similar other customer leads to higher unfair perceptions. In addition, when there is no price discrepancy, a comparison with a similar other customer leads to higher fair perceptions than does the intrapersonal comparison (Xia & Monroe, 2004). Overall, the choice of a comparative other party depends on both immediate availability and salience (Major, 1994).

For the purpose of this study, the interest of Social Comparison theory are mainly the observed price differences, the type of reference other which must be similar. A subscriber who observes differences in the price set by the service provider after comparison with another party, in this case, the rival competitors, which is assumed similar. In this situation, there is higher unfair perception, but a no discrepancy state will result in higher fair perception. Also, subscriber may

compare the service delivery encounter from the service provider with that of similar other party. Where there is service failure, it will be perceived as higher unfairness. However, where there is no failure in the service delivery a higher fairness is perceived. Nevertheless, the choice of this similar reference others is largely contingent on its availability and accessibility.

2.2.3 Disconfirmation and Performance Theory of Satisfaction

Conceptually, satisfaction is a behavioural intention arising from purchase outcome, whereby consumers evaluate benefits in relation to costs with expected consequences (Bolton and Drew, 1991). Operationally, satisfaction is similar to attitude, as it represents the sum of several attribute of satisfaction judgments (Bitner 1990). There are two concepts which can be used to explain the theory of satisfaction; the transaction-specific satisfaction and cumulative satisfaction (Johnson, Hermann, Huber & Gustafson 1997). The first is based on the customer assessment of single experience with a product or service. The second entails cumulative satisfaction which evaluates all transactions, including the post usage experience of a product or service over a period of relationship. This study focuses on the cumulative satisfaction because it is more appropriate for the telecommunication industry where consumer purchase experiences are more than one single transactions. Satisfaction is further compelled by two satisfaction model: The first is disconfirmation model which is linked with the transaction-specific satisfaction, while the second is the performance model related to cumulative satisfaction.

Disconfirmation explains the difference between perceived product performance and the expected performance. It states that satisfaction will increase if performance exceeds expectation (positive disconfirmation). This however, applied to product/service performance falls below expectation, satisfaction declines (negative disconfirmation). For the purpose of this study, a subscriber who after service delivery does not encounter service failure may have its satisfaction increase (positive disconfirmation). Conversely, a service encounter that results in service failure

will attract decline in satisfaction (negative disconfirmation). The latter does not portend a desirable situation for the service provider whose pursuit to achieve its objective of increased profitability, considerable market share and increased sale revenue may have been hindered.

2.2.4 Underpinned Theory

The various theories reviewed have been noted as relevant to this study. However, the most underpinned this study is the Equity Theory by Adams (1963). At the core of Equity theory is justice which is tied to fairness. In this study, three concepts (price fairness, service recovery, customer satisfaction) have been discussed. These concepts can be related to fairness and clamour for justice. In a situation where subscribers compare the price set by the service provider with reference others, and a notable variance was observed, the subscriber may perceive such situation as unfair. To restore justice or fairness, the subscriber may resolve to do any of these. The subscriber may employ negative word of mouth, de-marketing, or switching to rivals network, etc. Whatever the behavioural outcome, it may be capable of compelling service provider to revisit such pricing policies with the aim to restore fairness which will ultimately lead to customer satisfaction.

Price fairness refers to as a consumer's personal assessment of whether the difference between a seller's price and the price of a comparative other party is reasonable, acceptable, or justifiable (Bolton, Warlop & Alba, 2003; Xia et al., 2004). Inferring from the definition above, price fairness is an individual judgment of what is fair or unfair with specific interest on how other party referred to as reference others evaluate the situation. Also, the concept of service recovery emanated from the individual complaint of service failure and the expected step the firm will take to rectify this errors. Issues of service failure bother much on the concept of fairness to the subscribers, how fair is the company in the provision of service and consequently handling of the

various complaints. The consumer is also expected to compare this fair or unfair treatment with the reference others.

Customer satisfaction as earlier described in this study, also relates to equity or fairness. The concept of fairness is emphasised since satisfaction has to do with comparing performance with expectation. In the context of mobile network telecommunication, the Equity theory suggests that subscribers may have to compare perceived input-output (benefits) in a transaction or exchange process: if the benefit accruable to the subscribers is less than their input (time, money, and other costs), dissatisfaction may set in (Reisineger & Turner, 1997). More importantly, and for the purpose of this study, subscribers' experience with both price and service quality or recovery effort after service encounter is evaluated. When experience from encounter fall short of expectation may result in dissatisfaction, while satisfaction may be perceived if experienced encountered is more than expectation. Also, comparison of price in terms of fairness or service recovery effort may take between reference others who could be friends, colleague or family members who have experienced a similar offer (Meyer & Westerbarkey, 1996). The judgment of the output/input ratio will follow the same form of satisfaction when it is fair and dissatisfaction in a situation of inequity.

2.3. Conceptual Framework



Figure 2.1a: Price Fairness Dimensions

Source: Srikanjanarak, et al., (2009)

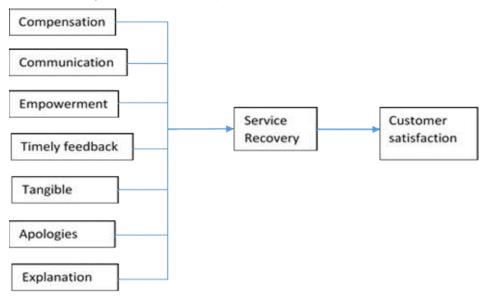


Figure 2.1b: Service Recovery Dimensions

Source: Boshoff, (2005)

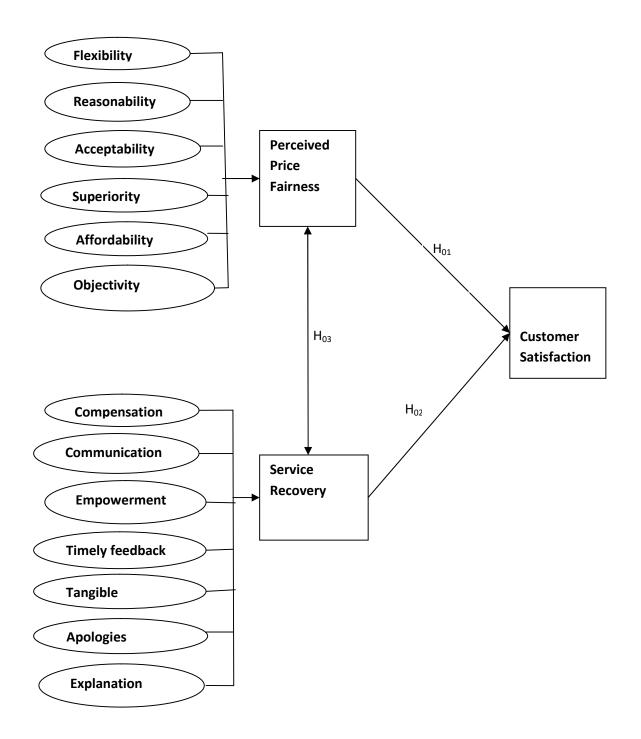


Figure 2.2. Conceptual Framework

Source: Developed by the Researcher, 2016

Model showing the relationship between perceived price fairness, service recovery and customer satisfaction in the Nigeria Telecommunication Industry.

The model in Figure 2.2. shows the relationship between perceived price fairness, service recovery and customer satisfaction. Price fairness is determined by six sub-variables. The first four is adapted the work of Srikanjanarak *et al.*, (2009) and they include: flexibility, reasonability, acceptability and superiority. The other two are: affordability and objectivity which are created in this study, considering the complex nature of the Nigeria environment. In the same vein, service recovery can be explained with seven sub-variables—Compensation, Communication, Empowerment, Timely Feedback, Tangibles, Apologies and Explanations, as adapted from Costa *et al.*, (2012). Perceived Price Fairness and service recovery are considered as holding a significant relationship with customer satisfaction individually as a predictor (Kaura, 2012; Uddin & Akher 2012; Ibrahim & Abdallehamed 2014; Kolos & Kenesei 2009). In addition, these two variables may jointly relate to hold significant relationship with customer satisfaction.

2.3.1 Customer Satisfaction

Customer satisfaction cannot be under-emphasised, since what constitutes satisfaction is subjective. For this reason, customer satisfaction can be considered as a subjective construct. Scholars in the field of consumer behavior have attempted to define customer satisfaction, based on the exigency of the situation (Day 1980). Therefore, it has no neat definition. Customer satisfaction can be described as the result of customer's evaluation of the consumption experience with the services. However for the purpose of the present study, it is considered as the personal evaluation of 'after-used' experience of whether actual product performance meet expected performance. This definition further explains satisfaction as an issue that is subjective. Personal evaluation, as earlier hinted, suggests that the outcomes of individual evaluation are not likely to be the same. Similarly, the behavioural intention "satisfaction" is a product of 'after-use' experience, and require the individual to evaluate

when the product must have been used or after the service must have been consumed. Consumers are not likely to share similar experiences since their perception may vary, while the word "whether", connotes uncertainty. The outcome of the individual evaluation of afterused or consumption of the service may not be determined therefore, until the product or service is actually consumed. Consequently, actual product performance and expected performance are two different outcomes while one has been ascertained before the use or consumption is expected, the other is estimated to occur after the consumption (actual). It is on this basis that satisfaction can be determined. For the purpose of this study, customer satisfaction can be hinged on the cumulative customer's satisfaction which is a vital direction to an organisations' past, present and future performance (Hsu 2008). The experience is not one-off. It is rather one that will require individual to have attempted the used/ consumption of the product or service for several times before a valid satisfaction outcome can be determined.

2.3.1.1 Drivers of Customer Satisfaction

There are several factors that determine customer satisfaction. These factors are relative to their sectors or industry and domestic environment where they are situated (Alabar, Egena & Gbande, 2014). According to Adebiyi, Shitta, and Olonade (2016) four major factors influence customer satisfaction in the telecommunication sector mobile users such as, customer service, quality of service, promotional strategies and Price/billing. These constructs are positively related to customer satisfaction. The positive relationship of service quality with customer satisfaction (Danaher and Mattsson, 1994; Kim, Park, and Jeong, 2004). Customer service encounter positively influences customer satisfaction Oyeniyi and Abiodun (2008), service quality, customer care service, promotions and price/billing are

significantly correlated with subscribers buying decision and ultimately increases customer satisfaction Adebiyi, *et al.*, (2016).

Uddin, Haque and Bristy (2014) had based on extensive review of extant literature selected some variables as determinants of customer satisfaction in the telecommunication industry in, Bangladesh. The following are the variables: customer service, personal & market factors, perceived quality, perceived value, technological advancement and company image. Oghojafor, Ladipo, Ighomereho, and Odunewu (2014) identified five variables as determinants of customer satisfaction in the telecommunication industry in Nigeria. The first being product (core service). The consession based on study is that product quality s positively related with consumer satisfaction, parasuraman and grewal (2000) and Oghojafor *et al.*, (2014). Others are price, distribution, promotion and customer service. Studies revealed a strong positive relationship between these variables and customer satisfaction, oghojafor *et al.*, (2014).

Further review dwells on telecomm industry and the focus is the determinants of customer satisfaction. Khan and Afsheen (2012) claimed that the element that accounted for business accomplishment is customer satisfaction. In their study carried out in Peshawar KPK Pakistan, the drivers of customer satisfaction are: customer service, price fairness sales promotion coverage signal strength. Al-Ali, Bazin, & Shamsuddin (2015) gave the determinants of customer satisfaction in Malaysia grocery stores as the Monetary Value of the Purchase, Customer Service and Convenience. Ibok & Ikoh, (2013) suggest seven variables as drivers of customer satisfaction with internet banking. The determinants are account access, account use, privacy and security, account control, cost/time effectiveness and ease of use.

Uddin & Akhter (2012) identified three variables as determinants of customer satisfaction, they include; service quality, service charge, perceived value and Service quality. Their support for these variables stem from investigation into the SERVQUAL model emphasising the five dimensions such as tangibility, responsiveness, reliability, assurance, and empathy developed by Parasuraman *et al.*, (1988). However, they argued in support of the alternative method, referred to as SERVPERF proposed by Cronin and Taylor (1992). Their assertion is that, in the evaluation of service quality, customers judgment with respect to service performance, offers enhanced results than using SERVQUAL. SERVPERF dimensions are tangibility, responsiveness, reliability, knowledge, and accessibility.

However, the drivers of customer's satisfaction can be viewed from two perspectives. They can be viewed from the angle of price fairness perception and service recovery. While Customer satisfaction and price sensitivity can be determined in part, by the perception of price fairness (Daskaloupoulou and Petrou, 2006), while satisfactory service recovery may reduce switching behaviour and, by extension, promote business survival (Lewis, 2004, McCollough, Berry & Yaday, 2000; Berry & Parasuraman, 1991).

2.3.2. Price Fairness Perception

Price is one critical factor that determines customer purchase behaviour (Santonen, 2007, Munnukka 2005, Bolton, Lemon & Verhoef, 2004; Kotler, 2003 and Hassan, Hassan, Saqib & Aksel 1993). A deeper understanding of subscriber's behaviour towards price perception helps service providers to design pricing strategies that build customer trust as well as fulfilment (Grewal, Monroe & Krishnan 1998)

Fairness is firstly conceived when defining consumer perception of price fairness. This is because it assumes subjectivity and captures the discussion on price perception to reflect subscriber's personality. Fairness has been defined as evaluation of whether an increase and the procedure to attain the surge is reasonable, acceptable, or just (Bolton *et al.*, 2003). It can be deduce from this definition that fairness is relative; it is systematic, i.e. procedural, and require comparing with similar others. Consumer perception of price may either result in fairness or unfairness. In the case of price fairness perception, it may lead to customer delightful commitment, while unfairness may result in negative behaviour such as self-protection tendency, and even revenge actions, depending on the nature of fairness judgments (Xia *et al.* 2004).

Price fairness perception has been studied within the context of service marketing literature (Bolton *et al.*, 2003, and Ranaweera & Neely, 2003). The operationalisation of price fairness in the mass service sector only began to gain recognition recently (Ranaweera & Neely (2003) and srikajanarak *et al.*, 2009). One of the importance of perceived price fairness to service providers is to enable them to formulate suitable pricing plans that will lead to customer satisfaction and retention and, by extension, increase organisational profitability (Srikajanarak *et al.*, 2009 and Hassan *et al.*, 1993).

2.3.2.1 Dimensions of Price Fairness

Flexibility- This is defined as the availability of pricing plans and how it can be changed effortlessly (Srikajanerak, 2009).

Reasonability- This refers to the fairness of the pricing plan especially as it concerns the rate and time (Renaweera & Neely, 2003).

Acceptability- This is the most suitable pricing plan that can meet customer needs regarding price and time required for use (Renaweera & Neely, 2003).

Superiority- To consumer, this is the prime influence of perceived price fairness (Adams, 1965). It is also the advantage the provider of best choice has over other providers' pricing plans (Lim, Widdows & Park, 2006)

Affordability - According to Goggin (2014), affordability is a dynamic interplay between people's lives, money, services, and systems. It involves consumers, income level of the consumer, the relevance and the benefit derived from the service and the entire process. The discussion on affordability cannot be complete without reference to the income of the consumer. Determining the fairness of a price requires a deep understanding of whether the consumer will be able to pay for the service then. The fact that affordability is a problem to both the subscriber and the service provider cannot be ignored or overlooked, (Australian Consumer and Competition Commission (ACCC) 2004).

Objectivity is defined as establishing deduction on facts without any bias and value assessment. (Kangai 2012). It is a concept that is operational in almost every sphere and connotes truth and reality. Objectivity can be described as the programme which consists of contentions and willingness to examine evidence unemotionally (Kangai 2012). The issue of fairness is relative and therefore individuals' opinions is a product of their perception of the situation. In this instance, price. It behoves consumers to consider accuracy, balance, and fairness. (Shaw, McCombs *et al.* 1997). Objectivity closely relates to the world of science in which the outcome of an experiment carried out may not be faulted. In the same manner, the assertion that is traceable and can be substantiated may also not be faulted. For example, if it is proven that necessary factors such as cost, consumer perception, etc. were duly considered during the process of setting the price, it is appropriate to regard such price as objective. This, in the long run, could determine the fairness of the price for the product.

Justification for Affordability and Objectivity

Separating the issue of fairness from emotion may not be achieved. However, fairness should assume a high level of credibility. Barrantes & Galperin (2008) assert that Affordability is an important predictor of mobile penetration. It is also the most significant barrier to extending the reach of mobile service to a particular group of population. It is on this premise that affordability can be considered as one of the dimensions of price fairness. For its part, Objectivity relates to empirical consistency to procedural correctness and sentimental detachment (Daston & Galison, 1992). The implication is that fairness cannot be operationalised by merely expressing personal opinion. Therefore, an individual's perception of fairness is relative, i.e. no two individual can perceive the same thing in the same way. Perceived price fairness is therefore subjective. Robbin (1981) reasoned that objectivity could be influenced by personal evidence. For the purpose of this study and, by extension it is taken as the dimension of price fairness.

2.3.3 Service Recovery

Service recovery is an element of quality management which seeks to strengthen the business relationship with the subscriber (Boshoff, 2007). It is defined as the service providers' effort to correct errors, occasioned from failed service (Gronroos 1988). However, it is captured from the subscribers' perspective because what a service provider needs to recover from is the dissatisfaction a subscriber experiences, regarding the service without minding the basis (Komunda & Osarenkhoe, 2012). It requires urgent attention as a result of negative customer reactions to initial service encounter. Recoveries failed services is relevant since study reveals it significantly affect subscribers who may have encountered service failures considering that they are typically more passionately involved and insightful of service recovery efforts (Berry and Parasuraman, 1991).

It is practically impossible to maintain an extensive period of business transaction with subscribers without attracting service failure because the service cannot be separated from the service providers and services intangibility (Lewis & McCann, 2004 and Durvasula, Lysonski & Mehta, 2000). Service failure often happened suddenly and generates spontaneous reactions which may be in the form of lodging a complaint, de-marketing or exiting the network completely. Thus, managing the situation to assure subscribers that the failed service will be restored and that they can be returned to a state of delightfulness will require critical thinking and procedural solution (Boshoff 2005, and Zemke and Bell 1990).

Service failure precedes service recovery and occurs behind the service provider. Therefore the need to ensure that it does not happen again becomes inevitable. All hands must be on deck to investigate the reasons for the failure and probably its frequency. This will lead to satisfactory recovery that will return aggrieved subscribers to a state of satisfaction, Zemke & Bell (1990)

2.3.3.1 Dimensions of Service Recovery

Compensation- This is defined as an incentive or financial payment that an organisation gives to a customer to cushion the effect of the failure. According to Davidow, (2003), it is the most studied among the dimension of service recovery.

Communication- This is defined as the exchange of message and interaction between front line staff of the organisation and the customer. Boshoff, (2005) reveals that significance of communication is stronger than the rest of the dimensions.

Empowerment- This dimension, according to Davidow (2003), is a firm representative guide by the company's policies and procedures to handle complaint lodged by the

subscriber/customer. It is one of the dimensions which increases customer's level of satisfaction (Nyer, 2000).

Timely-Feedback- One of the dimensions of service recovery is how timely the organisation react to subscribers complaints (Davidow, 2003).

Tangible- This involved the physical display of organisational facilities and appearance of the personnel representing the company in the eye of the consumer (Parasuraman, Zethaml & Berry 1988). Juhari & Bhatti (2016) equally assert that there is a significant positive relationship between tangible and customer satisfaction.

Apology- This is an organisation's way of admitting to a fault and expressing their concern for customer's complaints (Zemke, 1994). Basso & Pizzutti (2016) note that apology which emphasizes the promises that similar failure will not arise in the future is the effective strategy to manage double deviation scenario.

Explanation- The organisation's response to subscribers' complaint, to a reasonable extent, establishes the credibility of the firm to the customer (Davidow, 2003). Importantly, the fact is that complainants are interested in knowing that the service provider will prevent recurrence of the failure. The explanation may either be written or verbal, (Baer & Hill 1994).

Perceived Price Fairness- Srikanjanarak (2009) avers that an understanding of perceived price fairness help firm in the service industry to formulate effective pricing strategies that will lead to customer's satisfaction and retention.

2.3.4 Severity of Service Failure in the Context of Telecommunication

The Severity of Failure is the degree of damage that a subscriber suffers as a result of failure (Hess Jr., Ganesan & Klein 2003). In every service encounter, and on the part of the service providers, the quality of service, in most cases are not in doubt. However, due to human errors, failures cannot be entirely evaded. In the event of a service happenstance where satisfactory service delivery has not been observed is referred to as service criticality (Levesque & McDougall 2000). The negative effect of service severity is well pronounced in an encounter where service failure was experienced. Subscribers may resort to switching loyalty to competitors' service or a more image damaging activities. Subscribers' expectations of service recovery efforts where service failure severity has been observed is perceived to increase, while satisfactory recovery may avert some ugly reactions (Hess Jr., Ganesan & Klein 2003). In the context of telecommunication sector where the urgency of quality service is never compromised, service severity may lead to a complete abandonment of the network service provider to a more effective network (Ostrom & Lacobucci 1995).

2.3.5 Service Recovery Paradox

Service paradox has been severally researched (Smith & Bolton 1998; McCollough, Berry & Yadav 2000; Hocutt, Bowers & Donavan 2006; Kau & Loh 2006; DeMatos, Henrique and Rossi 2007). These various studies reveal a mixed bag of outcomes or reactions. While some have supported the view of these scholars, others strongly oppose the myth in their ideas (Andreassen 2001; Boshoff 1997; Brown *et al.*, 1996; Halstead & Page 1992 and McCollough *et al.*, 2000), the centred argument of these scholars is that service recovery is post-failure effort to right the wrong rather than to influence subscribers to be delighted when error has been committed. However, others assert that there are conditions for service

recovery paradox effectiveness (Mount 2012). Service recovery paradox refers to a satisfaction experienced after recovery from initial failure far exceed the satisfaction if the failure had not occurred (McCollough & Bharadwaj 1992).

It is established that there is a strong relationship between severity of failure and service recovery paradox. The explanation is that in a situation where the subscriber perceives the magnitude of failure to be less, post-recovery satisfaction may increase, and can indicate support for service recovery paradox (Mattila 1999; Rinberg, Odekerken-Schröder & Christensen 2007; and Magnini, Ford, Markowski, & Honeycutt Jr, 2007).

Two factors have been identified to reflect the reality of service recovery paradox: Stability attribution which is refers to subscribers' perception of the repeated occurrence of the failure in the future (Smith & Bolton, 1998). There is also controllability, this assumes that subscribers are likely to accept and tolerate the service failure, should they perceive that service provider has minimal control over the failure (Magnini, *et al.*, 2007 and Mount, 2012).

Other support for service paradox largely depends on the type of problem. According to Mount (2012), the type of problem that results in failure will determine the level of subscribers' post-recovery satisfaction. The idea is that the severity of a particular type of problem may inform subscribers' level of satisfaction after satisfactory recovery.

2.3.6 Double Deviation and subscribers' reaction.

The double deviation is regarded as the recovery failure after the initial failure. It means that failure may occur twice. Double deviation scenarios represent consumption experiences where customers are doubly-faced with a service failure, the initial service failure and the failed service recovery (Casado-Díaz, Ruiz, & Kasper 2007)

It is enough the failure with the initial service encounter, the unsuccessfulness of the recovery effort is viewed as an issue for greater concern. It is revealed in internet shopping marketplaces that the prolonged and progressive separation between subscriber and service provider is enormous task caused by double deviation (Schneider & Bowen, 1999; & McCullough, Berry & Yadav, 2000). Other studies have also shown that more than half of recovery efforts bid merely result in dissatisfaction (Hart, Heskett, & Sasser 1990). These are experiences that portray double deviation as a clog in the wheel of service providers' progress, (Bitner, Booms, & Tetreault 1990; Hart, Heskett, & Sasser 1990; Johnston and Fern 1999; Mattila 2001). The double deviation is defined as perceived inappropriate and inadequate response to failures in the service delivery system Bitner *et al.*, (1990).

In all of these events, consumer/subscribers reaction is regarded as an issue that craves for attention. Importantly, whatever happens, subscribers' perception and reaction may determine the survival of the business (Drucker 1973). Therefore, effort should be intensified on the part of the provider to ensure that adequate measures are put in place to combat this phenomenon.

The dimensions suggested by Boshoff (2005) regarded as RECOVSAT are designed to address issues that concern the consumers. These are strategies focused at consumers to resolve errors caused by service failure. It becomes worrisome after appropriate application of these strategies, yet services are not satisfactorily recovered. No doubt, consumers will be left with no other option than to react. The reaction may either be negative regarding unpleasant comments about the provider, image damage or switch behaviour. By whatever way, continuous existence of business is in doubt.

Among the causes of double deviation is the service providers' abuse of power, mainly the refusal to compensate when it is obviously necessary. This ultimately, results in the decline in the relationship between subscriber and providers (Schneider & Brown, 1999). It may also

lead to de-marketing by the subscriber (Voorhees, Brady & Horowitz, 2006), and consequently translates to switching behaviour (McCollough, *et al.*, 2000).

2.3.7 The Relationship between Perception of Price Fairness and Customer Satisfaction

The satisfaction of every customer should preoccupy the thinking of the management of an organisation, especially the telecommunication mobile service providers. Every business survives with the existence of customers, likewise, for any business to survive, it must obtain an economic value which can be guaranteed by the presence of effective price. There is no denying the fact that the average customer is price sensitive. For this reason, perception about the fairness of a particular price is of great importance to the satisfaction of the customers.

According to Zielke, (2008), the price level, value of money and sales promotional activities may result in both satisfaction and discontentment. In the same vein, price fairness, price perception, and price processes may result in consumers' dissatisfaction. Customers' perceptions of price fairness have attracted interest from scholars in the recent past because price is what everyone deals with almost on a daily basis (Xia *et al.*, 2004, Martin, Ponder & Lueg 2009). Consumers are quick to react to an increase in price. For example, the increase in fuel price in Nigeria attracted consumer reaction. Similarly, should there be a decrease in price, it will attract consumer attention, since it could be attributed to fall in the quality of the product. Consumers will treat as unfair if the motives for an increase in price are not validly supported (Campbell, 1999; Xia *et al.*, 2004).

However, if motives are genuine, (e.g. obvious increase in the cost of production), it could be perceived as fair. No matter the outcome, the satisfaction of the customer is relevant to any service provider. The relationship between perception of price fairness and consumer satisfaction should point to the direction to the service provider, whether it is aiming at the top or descending to the valley. As emphasised in the marketing parlance, price fairness

perceptions is an important predictor of consumer satisfaction (Anderson & Sullivan, 1993; Cronin, Brady & Hult, 2000).

2.3.8 Relationship between Service Recovery and Customer Satisfaction

Service recovery is the fallout from service failure and depicts the effort of service providers to correct error, occasioned by failed service (Gronroos, 1988). It can be understood from this that the preceding event indicate that service failure cannot be downplayed because its occurrence requires enforcing service recovery effort. Since the purpose of business is to attract customers, it is imperative for service providers to ensure the satisfaction of subscribers. When customers are dissatisfied, they are not likely to engage in a repeat purchase, while a satisfied customer will not only make a repeat purchase, but engage in marketing products through word-of-mouth. It becomes safe to say that the aggregate of customer's contentment and motivation to make a repeat purchase are caused by service interactions which result in failure and consequently recovery, Smith & Bolton (1998).

The common ground is that service recovery that genuinely impact on the consumer can reposition a dissatisfied customer to a state of satisfaction (Xiao, Ran & Oma, 2014) thus reducing the negative effect of service failure (Boshoff, 1997; Boshoff & Leong, 1998; Michel, 2001). On the contrary, the recovery effort by the provider often does not equate the severity of the failure which may require customer's expectation exceeding providers' recovery effort. In line with this, Keaveney's (1995) study reveals that service failures and failed recoveries account for practically sixty (60) percent of the dire actions by service firms that triggered customer switching behaviour.

2.3.9 The Relationship between Price Fairness and Service Recovery

Justice theory is suitable for understanding the process of service recovery and its consequences (Blodgett *et al.*, 1993). Justice is used as a basis for evaluating distribution. It refers to the provision of physical resources by a firm to correct and compensate for service failure. (DelRio-Lanza, Vazques-Casielles & Diaz-Martin, 2009). The motive behind compensating for service failure may either be to pacify the subscriber or pay for whatever must have been lost, thus emphasising an unfair dealing in the first encounter which has been corrected. By this, justice is sometimes used interchangeably with fairness (Wirtz &Mattila, 2004; Chebat &Slusarczyk, 2005).

Justice theory is an offshoot of equity (Adams 1965). The component of justice theory is price, Konovsky (2000). Unfairness issue arises in several ways. If cost is higher than profit or should benefit accrue to one is less than what is coming to the reference other, there is unfairness. Unfairness can also occur should price paid for service received has a greater value relatively to service failure that informs service recovery. These are few instances of unfair situations which the justice theory is meant to balance.(Adams 1965). The implication is that justice may be linked to pricing which is referred to as pricing fairness. If finding revealed a positive relationship between perceived justice and satisfaction with recovery, it, therefore holds that perceived price fairness may significantly impact on service recovery. (Ghalandari, Babaeinia & Jogh 2013; Chang, Ho & Tseng 2007).

2.3.10 Pricing Objectives and Strategies

The consensus is that price assumes a vantage position among the marketing mix variables. This is because it is the only marketing mix element that generates revenue, (Dudu & Agwu 2014 2014; Lovelock 1996; Shipley & Jobber 2001). The relevance of price also includes its

flexibility, which involves the relative speed at which the pricing decision are reached in comparison with other marketing mix elements (promotion, product, and distribution) (Avlonitis & Indounas 2005; Diamantopoulos 1991). Although pricing with compliment of other marketing elements may determine the wellness and profitability of an organisation (Avlonitis & Indounas 2005), it is the only variable that sustains growth. However, the quality of a product or service, with effective promotion and distribution system, without any price place on it, the product or services will not be sold or will remain stack in the store. Interestingly, every product has a value, but this value is accorded to this product through the price placed on it (Dudu & Agwu 2014; Boone and Kurtz 2005). Kerin, Berkowitz, Hartley & Rudelius (2003) define price as the money or other consideration (the goods or services) exchanged for the ownership or use of a good or service. In this context, it implies that for claiming the title to any product or services, it must have been bought for a price or equivalent consideration.

The first consideration when determining price is setting objectives (Avlonitis & Indounas 2005; Kerin *et al.*, 2003). The objectives are critical in assessing organisational performance. One important reason for setting objectives is that it guides your choice of pricing strategy (Roth 2007). There may be the need to adjust pricing objective when occasion arises, especially during changes in business and market conditions (Roth 2007).

2.3.10.1 Pricing Objectives

Some of the objectives available for organisations to pursue as identified by Avlonitis and Indounas (2005) are to:

(i) Realize expected return on investment

It involves establishing pricing pattern that will ensure that capital invested in a business are realize through improvement in the sales revenue for the goods or service firms (Kotler and Armstrong 2008).

(ii) Establish market leader

Organisations design their objective in manner that the market leader will eventually attain overwhelming market share in the industry, through constant long term planning and operational pricing policy design. (Stanton 1981).

(iii) Energize competition

Organisation set this type of objective drive or slow down competition in the market industry. This may be achieved by reviewing upward or downward, the competitive prices (Lancaster, Massinghan, & Ashford 2002).

(iv) Increase profits

This pricing objective is also referred to as Profit maximization. Firms in the oligopoly and monopoly market structure often pursue the attainment of objective abnormal pricing of their product.

2.3.10.2 Pricing strategy

Some of the reviewed literature classified pricing strategy into three (3), and subdivided into twelve (12) (Zeithaml, Parasuraman & Berry 1985; Ward, 1989; Palmer, 1994; Bateson, 1995). However, Kerin *et al.*, (2003) identified four major approaches to pricing strategies. These approaches are: Demand, Cost, profit, and competition-Oriented strategies. These strategies are considered in this study.

(1). **Demand-Oriented Strategy**; This approach gives preference to those elements fundamental to expected customer tastes and penchants than such elements as cost, profit, and competition when selecting a price strategy (Kerin *et al.*, 2003; Lancaster & Withey, 2005). The sub-classifications of this strategy are discussed below:

Skimming Pricing: Setting the high initial price to recoup cost invested. In this strategy, customers are assumed not to be very price sensitive because they weigh the new product's price, quality, and ability to satisfy their needs against the same characteristic substitutes.

Penetration Pricing: Pricing the product low at the initial stage of the introduction appeal instantly to the mass market and gain market penetration

Prestige Pricing: Prestige pricing involves setting a high price so that quality- or status-conscious consumers will be attracted to the product and buy it.

Product Price lining: Setting different price products in the line of product. Firms that use product lining price based their decisions on cost differences between the products, customer assessments of different product attributes and rivals prices (Kotler, Armstrong, Saunders & Wong, 1999).

Odd-Even Pricing- It means setting prices a few naira or Kobo, dollars or cents under an even number e.g. N49, N69, and N89. This strategy expresses a reduction assumption (Farese, Kimbrell & Woloszy, 2009).

Target Pricing: Marketers set price base on what they estimate that the ultimate consumer would be willing to pay for a product.

Bundle Pricing: The marketing of two or more products in a single package price (Brassington & Pettitt, 2006; kerin *et al.*, 2003).

Yield Management Pricing -The charging of different prices to maximize revenue for a set amount of capacity at any given time.

Predatory pricing: This pricing strategy is designed to drive out competitors out of business with deliberate intention by charging lower prices for their product (Brassington & Pettit,

2006; Blythe 2005; Kerin *et al.*, 2003). Firms that use this type of strategy are often ready to suffer loss to achieve their objective (Blythe 2005).

Psychological pricing: This strategy, gives credence to the psychology of prices and not necessarily financial benefits. The price is used to communicate product distinctness (Kotler and Armstrong 2008). Psychological pricing refers to consumer's personal feeling of what the price should be (Blythe 2005).

Premium Pricing:

This strategy is mostly applied by a company that has varied kind of demand for substitute goods with joint economies of scale. For example, what most service does is to differentiate their service using different promotional activities. The provider, therefore, uses premium price as a means of creating product superiority for one of the product with or without promotion (Singh 2013).

(2). Cost-Oriented Strategies

Price is set by considering the production and marketing costs and then adding enough to cover direct expenses, overhead, and profit.

Standard Markup Pricing: This method is used by retail stores that have stock of numbers of products (Kerin *et al.*, 2003) and it involves adding a specified percentage to the cost of all goods in a product class.

Cost plus: This has to do with summing the total unit cost and adding a realistic markup to the cost per unit Chaneta (2011). According to Noble & Gruca (1999), it is the most frequently used technique for setting the price for business goods.

(3). Profit-Oriented Strategies

Target profit: This involves the process of setting a predetermine amount in the form of an annual target of a specific Naira as profit (Kerin *et al.*, 2003). The price is therefore arrived at by finding the difference between the total revenue whose components include price and total cost, to give the profit that has already been predetermined.

Target Return-on-Sales Pricing: This involves the setting of a price that will give an identified percentage of the product sales volume. This method though simple to calculate, however, does not reflect the effort the firm exerted to achieve the target (Kerin *et al.*, 2003).

Target Return-on-Investment Pricing: This involves the use of setting a price to achieve the predetermine return on investment (Kerin *et al.*, 2003).

(4). Competition-Oriented Strategies

Customary Pricing: This is where tradition allows other competitive factors (channel of distribution) to dictate the price

Going Rate Pricing: This strategy allows a firm to set the product or service price at the same rate with the competition price (Andrea, Ude, & Landry 2007; Avlonitis & Indounas, 2005). This strategy eliminates the issue of price war within the sector and are dominant in oligopolistic market structure (Singh, 2013). It is also common in identical products with insignificant variation from one producer to another (Kevin, *et al.*, 2004)

Pricing Above Competitors: This has to do with setting price far above the price of rivals in the industry (Bonnici, 1991; Meidan, 1996; Zeithaml & Bitner, 1996; Mitra & Capella, 1997; Langeard, 2000).

Pricing Below Market Price: This involves setting price far or little below the rivals in the industry (Payne, 1993; Palmer, 1994; Zeithaml & Bitner, 1996).

Loss-Leader Pricing: This entails setting price below the usual price to attract attention in the hope that customers will buy other products (Kurtz & Clow, 1998).

2.3.11 Price, a Big Issue in the Telecommunication

Price is the money, or other considerations exchanged for the ownership or use of a good or service (Kerin, et al., 2003). It is perceived differently by different customer. This is why management of any organisation tends to design pricing strategies that stimulate consumer interest in their products. Among the factors that determine customer satisfaction is product quality. However, the role of price is inevitable. Therefore, efforts are made to set a price that is fair enough to attract customers. The liberalization of the telecommunication sector in Nigeria has resulted in an unrivaled and stiff competition in the form of price war in the sector. The noticeable features of service — perishability, inseparability, and intangibility often make the quality of product not to be visible. Also, providers are assumed to be more informed about the quality of the product than buyers. They therefore, may, claim a low quality to be high quality and deceptively charge high price. Rational consumer may, therefore, be apprehensive and unwilling to pay for such product (Rao & Monroe, 1996). The relevancies of price in the GSM network market are limitless ranging from its multiple functions of placing value on the SIM card, call rate, SMS charge, data charges etc. (Adeleke & Aminu, 2012). The consumer as an economic man has always wanted the best at the least cost conceivable. However, the obvious was when GLO emerged in the GSM network in Nigeria, and introduced per second billing. With this initiative, the number of subscribers who were patronising road side businesses to make calls reduce considerably. The implication is that a lower tariff attracts substantial patronage from subscribers, and ultimately results in organisational profit (Adeleke & Aminu, 2012).

The visible poor service quality in the Nigerian telecommunication sector may have given rise to various promotion activities. This has indirectly submerged the incidence of price reduction to prevent the intervention of the regulatory body the NCC. Adeleke and Aminu (2012) further assert that both effective service and fair price are required to achieve a competitive edge in the telecommunication market. The rate at which the Nigerian subscriber base increases from less than a million in 2001 to over 148 million within 15 years, is an indication that the network providers are not idle, but engaged in critical and mental exercise of the strategic formulation to strengthen their market share in a competitive environment.

2.3.12 Telecommunication in Nigeria

Telephone lines made available in Nigeria at independence in 1960 was limited to a mere 18,724 lines for a population of about 40 million (Ajiboye, Adu & Wojuade 2007). It, however, increased to 656,461 lines in 2001 (Onwuegbuchi, 2010). Effort were made to improve this sector but appear impossible until 1999 when the sector was liberated and deregulated. During this period, between independence in 1960 and 2001, telephone lines were owned by few who were able to afford it. These are those who could afford the luxury of obtaining a line because of the short in supply. As would be expected, demands became high, ultimately lending to increase in price. This, allowed for the economic concept of the forces of demand and supply to determine the price as well as the market structure of monopoly which empower a single firm (Nigeria telecommunication, NITEL) to operate in the sector.

The impact of telecommunication in the socio-economic development of any nation and communication as a key driver of any economy cannot be denied with Nigeria as a reference (Ajiboye *et al.*, 2007, Ijewere, 2012 and Oghojafor, Ladipo, Ighomereho, & Odunewu 2014).

The transformation in the telecommunication in Nigeria became visible in August 2001 (Oghojafor, *et al.*, 2014) when the license was rolled out to the two pioneer operators: ECONET (now AIRTEL) and MTN. These early telecom operators took advantage of the sector and form an oligopoly to set the price and made it appear impossible to bring down the price from 50 per minutes. However, the coming on board of Global Communication (Glo) in 2003 introduced per second billing that led to lower price of making calls. Interestingly, the initiative by the new entrant results in price rivalry among the three major telecom operators.

Etisalat, regarded as one of the four most active network providers in Nigeria (NCC 2014) announced its stake of 40% in a new Nigerian telecom company "Emerging Markets Telecommunications Services Limited (EMTS)" from the Abu Dhabi-based Mubadala Development Company in September 2007 (Beltone 2008). Etisalat services were launched in Nigeria in March 2008 and became Nigeria's third fixed-line and fifth mobile-phone operator. This improved Nigeria's rating as she was ranked as the third fastest growing fixed-line market in Africa (Beltone 2008). The emergence of Etisalat in the GSM market further fueled the competition in the sector. This led to the formulation of different competitive strategies by telecom operators. One of such strategies is the series of promotional activities designed to compensate subscribers in a manner that would reduce price without necessary creating its awareness.

2.3.13 Determinants of GSM Tariff in Nigeria

The Nigerian communication commission (NCC) assumes a defensive position on why it may not impose an absolute tariff on GSM providers in the country. The argument is that the GSM providers operate in a competitive market where price is determined by natural competition and free market forces (Oki, 2014). The opposition of this assertion is that the

operators do not operate in a completely competitive market type of structure. However, the providers are aware of the agitation for price review downward from the subscribers. Consequently, it may inform why they have been developing various promotional strategies to retain existing customers and win new ones.

The NCC regulates the activities of the telecommunication industry in Nigeria including the establishment of the tariff. The Commission decides appropriate criteria for determining the tariff which applies to all operators in the industry. The three factors for determining tariff in the telecommunication industry in Nigeria are: cost, consumer and competition consideration Federal Ministry of Communications (2000). Price stands out as the most important factors that influences consumer decision on the choice of mobile network providers Ijewere & Gbandi (2012). It therefore behooves on the providers and the regulatory body to consider consumer perception when determining the tariff.

Telecommunications service tariffs in all cases in the country is cost-oriented. The cost include the actual cost incurred in the provision of the services by the provider. Among the costs are: cost of generating power, huge cost of license, cost of putting in place necessary infrastructure such as mass, and other variable costs. According to Federal Ministry of Communications (2000) the Commission in determining tariff regulation is guided by the following principles:

- 1. Telecommunications service tariffs shall in all cases be cost-oriented, reflecting the actual cost required by operators to provide the services in question;
- 2. Tariff setting rules must be transparent to both operators and their customers, with stable, predictable, and understandable standards for current prices and for changes to those prices over time;

- 3. Telecommunications service tariffs shall generate sufficient revenues for regulated operators to compensate for their investments, while also seeking to be as affordable as possible to the broadest range of potential service customers;
- 4. In general, cross-subsidies between services or service categories shall be prohibited. In certain cases, limited cross-subsidies may be permitted, only in connection with an explicit public purpose such as the promotion of universal access, and where such subsidies can be effectively targeted to accomplish that purpose at minimum cost.
- 5. To the extent that the present tariff levels of NITEL and M- TEL are found to be inconsistent with these principles, the NCC shall undertake a tariff review and re-balancing process, in coordination with the privatization and restructuring of the companies.

MTN

MTN was granted license in September 2001 to operate as a GSM service provider in the country. It presently leads the pack as it has the highest subscriber base in the Nigeria telecommunication sector (NBS 2016). The company was awarded the 2.6GHZ spectrum auction in 2016 which enable it roll out its 4G LTE across the country beginning from the major cities of Abuja and Lagos (Aginam 2016). It controls 43% of the industry's market share, dropping from 47% from the previous year. The pricing decision has been targeted at per second billing. However other promotional activities both short and medium term, were designed by the company to retain existing subscribers, and sustain the leadership position. Among the products are: Xtracool, Xtraconnect, Xtrapro, Xtraspecial, Enterprise, Family and Friends, Music download, and Fastlink. Others include MTN Betatalk, 11k/secs to all network ,Trutalk, VIRA game, Fast mail, MTN family and friends expanded, Special micro SIM cards, MTN eye ,MTN who called and notify me, etc.

GLO

It is no doubt that the emergence of GLO into the Nigeria's telecommunication industry in 2003 brought respite to most subscribers. They had thought the 50 per minute billing had come to stay or will be continually reviewed upward. It probably could have happened with an indigenous telecom operator which GLO represent. The company is occupying the second position in terms of the subscriber base and controls a 21% market share in the industry. GLO within the period of thirteen years of operation has expanded its activities beyond Nigeria, to such countries like Benin Republic, Ghana, Senegal and Ivory Coast. This is no small achievement (Onwuegbuchi 2010). Its coverage has extended to 50,000 cities, towns, communities and major roads making it ranked as the 5th largest telecom operator in the Middle East and Africa (Bayode, Samuel & Muyiwa 2012).

The tariff plan is basically on per second billing which it introduced at its launch into the market. However, because of the stiffness of the competition and the drive to increase subscriber base, it has introduced several products supported with effective promotional activities. Among the products are: Per Second Billing, Blackberry handsets, Multimedia Messaging Service (MMS), Short Message Service (SMS), Magic Plus, Glo Direct, Glo Mobile Internet, Glo Fleet manager, 7 M-banking and Glo Mobile Office. Others are Ringtones and Logos, Txt2Email/Email2Txt, Voice Mail Service, Roaming, Glo 3G, Glo Voice SMS, Glo Call Tunes, Glo Handset Parameters, free midnight calls, Borrow Me Data; Double Free Tomorrow; New IDD Packs and 11k Per Second For All.

AIRTEL

All Indian Retail Telecommunication (AIRTEL) launched its commercial GSM services in Nigeria on August 5, 2001 and ultimately became the first telecom operator in the country Bayode *et al.*, (2012). Although it began as Econet, the ownership was changed. Therefore, the name becomes Vodacom in 2004. In the same year, Vodacom had to leave Nigeria, and

Vee Networks took over the helm of affairs. The company became known as Vmobile. Just as it was settling down, the company again in May 2006, was bought over by Celtel, another telecommunications company. Dramatically, in 2008 another change occurred. Zain Group, took over the ownership structure which only lasted for two (2) years. But in November 2010, Zain could no longer continue and transformed into Airtel Nigeria, Techcabal (2015). Airtel has covered the six geo-political zones in the country and was the first to introduce the toll-free 24hours customer care line 111,000 Bayode *et al.*, (2012). It presently controls 20% of the industry's market share.

One major determinant of their pricing plan is the cost of operation which has been hinged on the high license fees by the regulating body, the (NCC) and the cost of generating power. However, the company matched other operators who are its competitors in the sector to increase her subscriber base as well as the struggle for dominant. To achieve this, she has to reduce its price which she has done through various promotional activities and in the form of new products such as conference calling done at a reduced rate, International Direct Dialing, and Fax services. Others include, SMS, call me back, Me 2 u, credit me, friends and family, Zainjoli comprising of Joli people, Jolipadi, Joliyonda and Joliyans.

ETISALAT

Etisalat is the last of the four most active GSM network providers to join the sector. she obtained a stake in the green-field Emerging Markets Telecommunication Services (EMTS), when she acquired the Unified Access license from the federal government Emerging Markets in Nigeria in January 2007 (Etisalat 2015). She, however, launched the full operation in Nigeria towards the end of 2008. Her entrance into the Nigerian telecommunication industry brought about the innovative transformation that has resulted in an unprecedented competition among the operators. Some of the drivers of the company's operational cost, in

addition to the cost of obtaining the license from the regulatory body, is the cost of power, transportation, diesel and the associated security on every site (WinWin 2011). The company's strategies have been to offer pricing that is the same, regardless of whether calls are made to their network or to competitor's network. They have been able to reassure their teeming subscribers that they will not suffer any extra cost for calling other networks. She leads as the pioneers of the concept of On-net and off-net pricing being the same (WinWin 2011). To boost its promotional activities, the company came up with some innovative products and services such as the Eco Sim and the first network to offer special numbers to Nigerians as their mobile numbers via the 0809uchoose campaign. Others are: easy starter, easy cliq, easylife4.0, easy wallet, cliqlite, talk zone etc. (Etisalat Nigeria 2014). She presently controls 16% of the industry market share.

2.3.14 Service Quality

The growth of the service worldwide is unprecedented, (Ramseook-Munhurrun and Lukea-Bhiwajee 2010) especially the telecommunication industry. Service quality are two separate words that gained prominence in the 1980s (Parasuraman, Zeithaml & Berry, 1985; Grönroos, 1984). These two words interplay. Service is differentiated from core products by its intangibility, Sorayaei, Ahangar, Kasiri and Bahrami (2013), heterogeneity Booms & Bitner (1981) and inseparability (Carmen & Langeard, 1980; Parasuraman *et al.*, 1985). Intangibility is termed unobservable attributes that defined service, while heterogeneity is the variability of service performance from consumer to consumer or manufacturer to manufacturer. In the same vein, inseparability is the inability to separate consumption from production.

Quality is defined broadly as superiority or distinction (Zeithaml 1988). It also can be taken to mean fulfillment level gained by the beneficiary on the service functionality Sorayaei *et*

al., (2013). The assessment of quality should be done with the mindset of is relativity, since human expectations of service performance could vary as a result of differences in life style, income level, personality, compelling situation, etc., (Harris & Harrington, 2000). Service quality has been conceived differently by different scholars. It is defined as the transaction between a firm and customer, while focusing on the customer's encounter and experience through the course of service dealing Sorayaei et al., (2013). It is also described as an overall assessment akin that is similar to unexpressed behaviour towards the service and commonly agreed to precede overall customer satisfaction (Parasuraman et al., (1988). It equally measures the gap between customer's expectations of service and perceived service (Zeithaml, Parasuraman & Berry, 1990). In this study, service quality, therefore, may be referred to as the level at which actual service performance meets customers' need.

The construct service quality emanated from the interaction between service provider and the consumer, (Surprenant and Solomon 1987). This interaction translates to the roles both customers and service providers have to play which often occurred during and after service dealings. To this extent, service quality is regarded as relative, since it is perceived both from the angle of consumers whose opinions may vary among themselves and the service providers whose perception of the quality may differ from that of the consumers (Czepiel 1990).

2.3.14.1 Service Quality Measurements

It is no doubt that service quality is a key factor to be taken into consideration when determining customer satisfaction (Alabar *et al.*, 2014)). Most studies that have attempted to measure service quality used the work of Parasuraman *et al.*, (1988) as the foundation to build on (Chaston, 1994; Reynoso & Moore, 1995, Lings & Brooks, 1998; Sahney, Banwet & Karunes 2004). Parasuraman *et al.*, (1985), in his first attempt to break into providing

measurement for service quality, identified ten determinants of service quality as shown in the result of their focus group studies with service providers and customers. These determinants are: access, communication, competence, courtesy, credibility, reliability, responsiveness, security, understanding and tangibles. This study led to subsequent studies (Berry, Zeithaml & Parasuraman 1985), with results revealing a significant positive correlation between, communication, competence, courtesy, credibility and security on the other hand, and, access and understanding on the other. However, five dimensions emerged in their work – tangibles, reliability, responsiveness, assurance and empathy which are recognized as SERVQUAL (Parasuraman *et al.*, 1988; Zeithaml *et al.*, 1990). The fallout from their study shows that irrespective of the service understudied, reliability was the most important dimension, followed by responsiveness, assurance and empathy, while intangibles occupied the least concern in the ranking of service customers.

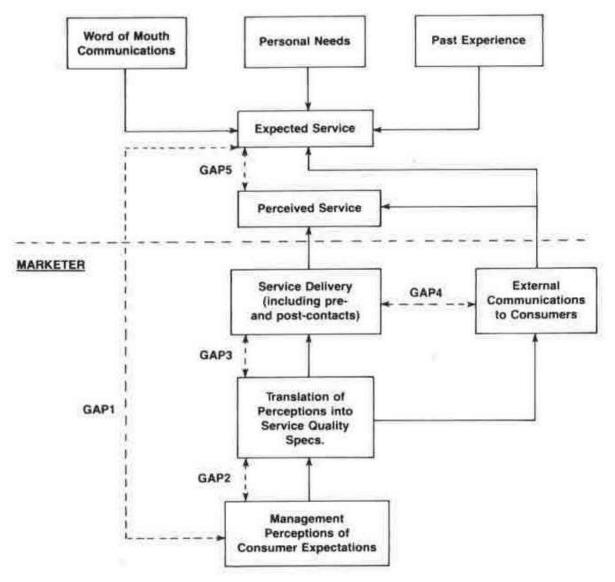
2.3.14.2 Service Quality in the Telecommunication

Service quality in the Nigerian telecommunication sector in every economy may not receive equal assessment because of the differences in opinion, culture and location or environment ((Hoffman & Bateson, 2001; Tyran & Ross, 2006; Stafford, Stafford & Wells, 1998; Sureschander, Rajendran, & Anatharaman 2002).). The telecommunication sector in Nigeria is faced with fierce but healthy competition where service providers are scrambling for subscribers. Different types of strategies have been formulated daily to retain existing subscribers, ensure subscribers switched from rivals network and as well as winning over potential subscribers. One identifiable strategy is the use of service quality which provides a platform for obtaining competitive edge through differentiating from competitors' service Leisen and Vance (2001). Most importantly, this become imperative when providers are not availing themselves of the opportunities provided of gaining competitive advantage which is

a value-creating strategy Barney (1991). This has been corroborated by studies which affirm that it has become a dissimilar and vital part of the product and service transaction (Olatokun and Nwonne 2012). Also a competitive advantage is long lasting when other service providers are unable to imitate the quality of service provided (Zeithaml 2000); Leisen and Vance 2001; Wal, Vander and Bond 2002). Largely, service and product quality is a consumer perceptual attribute which is a function of individual buying life style, demand, taste, and benefit sought (Olatokun & Nwonne 2012). The GSM telecommunication providers are encourage to understudy subscribers and ensure that their perception of providers quality offering are identified and steps taken to factor them in subsequent offering. Olatokun and Nwonne (2012) had earlier claimed that consumer consumption of a service always precede customer perceptions of the quality. They noted that there is a significant positive relationship between customers' services in terms of quality and customer retention in the telecommunication industry in Nigeria.

Several studies have supported the use of SEVQUAL as developed by Parasuraman *et al.*, (1988) in the telecommunication industry of many nations (Hoffman & Bateson, 2001; Tyran & Ross, 2006; Stafford *et al.*, 1998; Sureschander *et al.*, 2002), with Nigeria no exception (Alabar *et al.*, 2014; Ojo, 2010). The concession is that all the quality dimensions are strongly related to behavioural outcomes such as satisfaction, loyalty, intention to purchase choice of network, etc.

CONSUMER



Source: Parasuraman et al., (1985).

Figure 2.3 Service Quality Model

Theory and model development are fallouts from different approaches. In the development of service quality, consistent with extant literatures (Parasuraman *et al.*, 1985; & Zaltman, Lemasters & Hiffring 1982) had used an exploratory investigation by focusing on focus group interview with consumers and in-depth interviews with executives. The approaches resulted in the development of a conceptual model of service quality. In the model, five Gaps (Gap1, Gap 2, Gap3, Gap4, & Gap5) were identified. These gaps serve as constraints in an

attempt to provide service most consumer perceive as being far above average regarding quality. (Parasuraman *et al.*, 1988). Gap 1 proposed that consumer expectation of a service provided are often different from what marketer assume to be quality (Parasuraman, Valarie and Zethaml 1982).

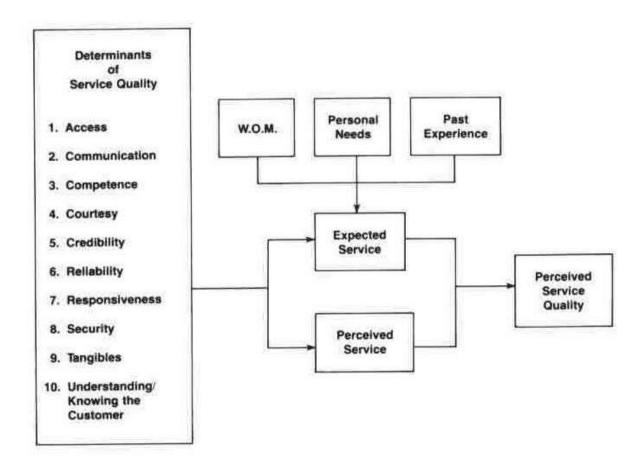
Gap 2: Proposed that inadequate resource, the state of the market, and management non-commitment are major contributors to the discrepancies between management perception of consumer expectation of a quality and actual expectation established for a service (Parasuraman *et al.*, 1985).

Gap 3: Proposed that because service performance may not be standardized, there will always be a discrepancy between service quality specification and actual service delivery, as it will impact on consumer perception of service quality.

Gap 4: Proposed that discrepancies between service delivery and lack of knowledge about the effort to deliver effective service to consumers may affect consumer perception of service quality.

Gap 5: Proposed that consumer perception of actual service performance vis-à-vis their expectation inform their judgment of the high and low service quality.

Gap 6: Proposed that perception of service quality by the consumer lies on the nature of the discrepancies associated with the design, marketing, and delivery of services which is explained by the following equation. Gap 6: Gap 5 = f(Gap1, Gap2, Gap3, Gap4).



Source: Parasuraman et al., (1985).

Figure 2.4 Determinants of Perceived Service Quality

Determinants of service quality

Reliability: Consistency in the performance of the service in terms of getting it right at the first time (Parasuramen *et al.*, 1985).

Responsibility: This means employers' eagerness and preparedness to provide service at the appropriate time.

Competence: The acquisition of the right skill and knowledge for the performance of the services.

Access: The conveniences to reach the appropriate contact.

Courtesy: Contact personal showing of politeness, respect to customers.

Communication: Ability to inform the consumer in a well-articulated language as well as

given them listening ear.

Credibility: Is associated with trust, faith in everything that has to with the company in the

sincerity of heart.

Security: Assurance of safety, risk, and skepticism, understanding, knowing the customer

and effort to know the needs of customers.

Tangible: Evidence of service that customer can see with their eyes.

Implication to present study

Each of the gap identified by parasuraman et al., (1985) has great implication for price

fairness and service recovery: Gap 1 for instance, implies that price fairness perception often

result in the difference between consumer expectation and marketer assumptions. When there

are discrepancies in the quality of services provided about the price charged, there is likely

perception of unfairness on the part of the consumer. In the same vein, this quality perception

may have been as a result of the differences of what management of service provided may

have assumed to be quality.

Gap2 implies that when there are little or no resource personnel, unfavourable market

condition, and management non-commitment to providing standard quality. It results in failed

service and consequently effort to recover the service. Again, when services are provided,

and exorbitant price are charged for low service quality, it results in an unfair perception of

the price from the consumers.

Gap3; the discrepancies in service quality specification and actual service delivery as a result

of non-standardized performance. The implication is affected in the consumer perception of

service quality as below standard, and consequently unfair judgment of the price and need for

service recovery.

[56]

Gap4 implies that when consumers are not well-informed about quality delivery and how prices are set, they may perceive price fairness judgment. Should the service fail, providers may receive series of complaints from consumers and may need to recover the service.

Gap5 implies consumer judgment of high or low service quality which is as a result of the discrepancies in the differences between actual service performance and consumer expectation. A rational subscriber whose judgment of service quality is high may expect the price to maintain status quo while a low service quality judgment may attract request for downward review of the price. The perception of price fairness is often as a result of the quality of the service which may fall well below consumer expectation. A low service quality may also be interpreted as a failed service, and in this case, could attract recovery.

2.3.15 Relationship Marketing: Development and Definitions

Every organisation, whether manufacturing or service, is in business because of the existence of customer, Drucker (1973). Therefore, customers must get maximum satisfaction from any transaction they engaged in. Firms strive to survive by making profit and it is determined by the level of sales generated, which require, interaction between a company and its consumers, Opuni, Opoku & Oseku-Afful (2014). The interaction must be such that will lead to a relationship that will last for a very long time. It also implies that the customer must be kept delighted. According to (Moenardy, Suharyono, & Kumadji, 2016), customers will never leave the organisation if they are kept happy. For customers to make repurchase and remain loyal to a service organisation, service providers must continue to excite customers by delivering services in satisfactory relationships Opuni, *et al.*, (2014).

Relationship marketing is a marketing practice that developed in the 1980s and gained prominence in the 1990s, (Sheth & Parvatiyar, 2000). Its emergence marked the beginning of the paradigm shift from the transaction marketing to relationship marketing. The interaction

between the firms in this case the seller and the consumer who is the buyer results in a desired relationship by both parties. The concept of relationship marketing was borne out of this interaction and received wide acceptance by both parties (sellers and buyers), Moenardy, et al., (2016). In their account of the development of relationship marketing, Ndubisi & Anayochukwu, (2012) had used the development of "servuction concept" to describe the system of interactions. The interactions arise between customers and workers who have no link with the marketing department of the organisation. The resultant benefits such as desire to keep customers, attract repeat purchases, promote trust, and enabling future marketing, (Sheth & Parvatiyar, 1995) led to the rapid growth of relationship marketing.

Defining relationship marketing requires the knowledge of its antecedent and the outcome objectives. These are some of the definitions offered. Berry (1983) for instance, defines relationship marketing as: Attracting, maintaining, and – in multi-service organisations – enhancing customer relationships.

Berry and Parasuraman (1991) described Relationship marketing as concerned with attracting, developing, and retaining customer relationships.

Gummesson (1994) conceived Relationship marketing (RM) as marketing seen as relationships, networks, and interaction.

Gro nroos (1996) terms Relationship marketing as to identify and establish, maintain, and enhance relationships with customers and other stakeholders, so that the objectives of all parties involved are met. This is done by a mutual exchange and fulfillment of promises.

Sheth (1994) defines relationship marketing as the understanding, explanation, and management of the ongoing collaborative business relationship between suppliers and customers.

Sheth and Parvatiyar (1995) takes relationship marketing to mean an attempts to involve and integrate customers, suppliers, and other infrastructural partners into a firm's developmental and marketing activities.

It may be described as the interaction between a firm, its customer and other transactional stakeholders that transform into a relationship that may benefits all parties involved. To every relationship established, an interaction must have been created for the attainment of specific objective to the parties. According to Ashley, Noble, Donthu, & Lemon, (2011) Relationship Marketing simply does the job of collecting information based on which firms can identify their preferred customers and retain them.

It is worthy of note that this study agrees with the assertion by Moenardy, *et al.*, (2016) that Relationship marketing is a philosophy of business interaction and tactical inventiveness that customer will jettison switching intention for long term relationship. This is because the key variable in the formation of relationship is interaction while the expected outcome is a long term relationship.

2.3.15.1 The Influence of Relationship Marketing on Customer Satisfaction:

Customer satisfaction plays a vital role in sustaining relationship with customers and ultimately keeps a business. The survival and success of any business depends on the customer whose relationship must not be compromised, (Claro, Claro & Zylbersztajn 2005). Therefore, organisation should establish, nurture, and maintain this relationship with every resources at its disposal. After all, Relationship Marketing is chiefly concerned with building relationships at each and every possible point of interaction between firms and customers, that may translates to mutual benefit for both parties Lo, (2012). The relevancies of relationship marketing to modern day marketing include: identifying factors influencing customer relationship with companies, and exerting efforts towards those factors in order to

keep the clients, Lo, (2012). It also, brings in new investors for the firm (Samaha, Palmatier, & Dant, 2011).

The review of literature shows that Relationship marketing helps to develop long-term customer satisfaction (Kotler, et al., 1999; Swinyard & Whitlock 1994). The relationship that transpires from an interaction between a firm and the customer is expected to result in customer satisfaction and ultimately translate to wellness of the company (Arora & Saxena, 2013; Dinh & Pickler; 2012; Jesri, Ahmdi & Fatehipoor, 2013). (Yaghoubi, Doaee, & Ardalan, 2011, & Opuni, et al., 2014) contend that the significant positive outcome of relationship marketing on customer satisfaction and loyalty is inconsequential, should service providers fail to apply emotional intelligence in service delivery. Also the Emotional intelligence can be described as the possession of appropriate aptitude to define, evaluate and control one's emotions, and those of others (Harms & Credé). For the purpose of this study, the empirical evidences are enough to give support to the positive relationship between relationship marketing and customer satisfaction (Arora & Saxena, 2013; Dinh & Pickler; 2012; Jesri, Ahmdi & Fatehipoor, 2013). The argument is that meeting customer's expectation which is what define customer's satisfaction does not require any form of emotion. Rather, it entails designing appropriate pricing policies, improving product and service quality, and where there is a service failure, it should be minimal or ensure service recovery is effective

2.4 Empirical Review

Dib & Al-Msallam (2015) explored the effects of three customer perceptions (perceived quality, brand image, price fairness) on customer satisfaction and Brand loyalty. Descriptive research design was adopted. The population entailed the mobile phone users from undergraduate students of major universities in Damascus, Syria. A sample size of 584 was

drawn from the target respondents using combination of a convenience and judgmental sampling technique. The results revealed that customer satisfaction significantly affects customer loyalty. In addition the study found that, the factors of perceived quality, brand image and price fairness affect brand loyalty. Furthermore, the study revealed that customer perception of perceived quality, brand image and price fairness are almost equally important to build up the satisfaction.

Kaura (2012) carried out a study to examine whether perceived price induces price fairness and consequently if price fairness results in customer's satisfaction in Indian Commercial banks. The cross-sectional type of survey method was adopted, prompting administering personally three-hundred and forty-one (341) survey instrument on the urban customer of retail banks. The result revealed that perceived price leads to the increase in price fairness and ultimately result in customer's satisfaction. However, perceived price alone does not impact on customer satisfaction.

Uddin and Akher (2012) explore customer satisfaction and the factors that could influence it in the telecommunication industry. A survey research was used with the aid of questionnaire administered on three hundred of eighty-two (382) respondents who were the subscribers of telecommunication services in Bangladesh. The result shows that fair price had a positive direct impact on customer satisfaction but was the same with service quality. Hanif, Haflez and Riaz (2010) investigated the factors responsible for creating satisfaction among the manufacturers of mobile phones in Pakistan.

The respondents comprised the users of GSM telecommunication services and GSM phone operators within Rawal Pindi City of Pakistan. They had a copy of two hundred and fifty (250) questionnaires administered on them. The data collected were analysed with a descriptive statistic, correlation, and regression. The results showed that both factor (price

fairness and customer service) predict customer satisfaction with price fairness having the larger effect on customer satisfaction.

Tuan (2012) also examined fairness study by examining its effect on students'. Perceived service quality and perceived price fairness on students' satisfaction. A cross-sectional survey method was adopted where a survey was conducted at four different higher education institutions, in Vietnam. The research instrument was administered on Ten (10) student. Each institution had two students, except on one of the institutions that had four (4). The responses were duly analysed, with the aid of SPSS. The results revealed that various dimensions of perceived service quality and perceived price fairness both have positive effects on student satisfaction. Also, perceived price fairness accounts for why more of variation in student satisfaction is better explained by comparison with the original Parasuraman's SERVIQUAL Model.

Catoiu, Vranceanu, and Tatu (2010) examined the effect of two types of training (attribute and goal) on distributive and procedural price fairness perceptions and some other variables of consumer behaviour. An experiment was conducted at two different periods. Analysis was done based on the information gathered. Findings revealed that price framing has a direct impact on price fairness perception just as seller's motive directly influences policy fairness perceptions. Similarly the Hotel industry makes an effort to maximize the room rates at the peak of the demand and to maximize the room sales at low demand period.

Ibrahim and Abdallehamed (2014) explore the service recovery strategies employed by telecommunication firms operating in Africa by focusing on Uganda Telecom. The study addressed three key issues as objectives.

The study addressed the relationship between firm's fair treatment of customer complaints and customer satisfaction. It also addressed the relationship between service recovery and

customer satisfaction. The study as well establishes the relationship between service recovery and customer satisfaction. It did this by employing a cross-sectional design that require the researcher to draw one or more samples from the target population at a particular period. The sample size was 80 staff of Telecom Company. Likewise, one hundred and fifty (150) subscribers of the same telecom company had copies of the questionnaire administered on them. The instrument was completed and return. They were drawn using simple random sampling and purposive sampling method. The findings reveal that there is a significant positive relationship between service recovery based on firm's understanding of customer complaints firm fair treatment of the complaint and customer satisfaction.

Ting-Yu, Jeng-Hwan and Hsin-Hsing (2014) conducted a study to investigate the effects of service recovery on customer satisfaction and relationship retention in catering industry. A cross sectional survey design was employed. The study subjects were customers of Noble Family in northern Taiwan. The sample size was 500 respondents who completed the questionnaire. A valid copies of 267 were retrieved, indicating return rate of 53%. The results showed that Service recovery is significantly correlated with customer satisfaction, customer satisfaction has positive correlations with relationship retention and that Service recovery has significant correlations with relationship retention. In addition, customer satisfaction produced partial mediating effects on the correlations between service recovery and relationship retention.

Mensah (2012) examines customer satisfaction and complaint responses towards mobile telephone services. This suggests that the focus of the study was in the telecommunication industry. A cross-sectional survey design was adopted. The sample size was drawn from the customer of two mobile telephone industries. The findings suggest that customer satisfaction rating differed according to the mobile network and that previous dissatisfaction significantly influences complaining behaviour. Also, it further revealed that customers do not complain

only because they are dissatisfied. They complain for several reasons even when they are satisfied.

Komunda & Osarenkhoe (2012) investigated service recovery knowledge by examining the relationship between service recovery, consumer satisfaction and loyalty in a commercial banking environment. To achieve this, a descriptive research design based on cross-sectional survey method was adopted. An interview was conducted for respondents based on voluntary participation. Questionnaire was also designed to focus on issues related to efforts made to investigate causes of service failure and to develop recovery strategies that meet customer expectations of how their banks should handle such problems. The sample size consisted of 120 staff and students at the Business School of Makerere University Business School in Kampala, Uganda. The respondents were drawn using systematic sampling procedure in order to ensure that the sample included different demographic and socio-economic groups. The statistical tools used for data analysis included frequencies and percentages while factor analysis and Pearson's correlation coefficient were used to test relationships between the variables. Regression analysis was used to identify strong predictors of customer loyalty, using both behavioural and attitudinal variables, and to establish the contribution. Results revealed that communication had a significant relationship with service recovery and that higher levels of redress independently increase positive consumer responses. The findings also showed that the interaction of employee responsiveness and courtesy can also have a positive impact on consumer evaluations. Satisfaction was highest and negative word-ofmouth intentions lowest only under conditions of high responsiveness and courtesy.

Khan and Afsheen (2012) investigated those factors that are likely to influence customer satisfaction in cellular industry in Peshawar region of Pakistan.

Kolos and Kenesei (2009) investigate the impact of compensation, explanation, and consumer choice on satisfaction during service recovery. The study undertook a quantitative study, using an experimental design based on scenarios. It involves the interview of thirty (30) customers and employees of a telecommunication company. The finding shows that employees' positive emotion and perceived control during the recovery process make consumers more satisfied.

Beugre and Viswanathan (2006) investigated perceptions of fairness and customer satisfaction for distributive service recovery and interactional service recovery strategies. The service recovery strategies were examined in relationship to the type of service failure. Types of service failures examined were distributive service failure and interactional service failure. The research design employed for the study was Experimental Design using a 2×2 between-subjects factorial design. The study was conducted on a sample of 111 undergraduate business and psychology students enrolled in a Northeastern university in the United States. It was conducted during class time and students received partial credit for participating in the study.

The results showed that distributive service recovery strategies are more effective than interactional service recovery strategies when the service failure is distributive. Furthermore, the study found that service failures are interactional, both distributive service recovery and interactional service recovery strategies are effective.

Cengiz, Er and Kurtaran (2006) conducted a study to investigate the effects of service recovery strategies on customer satisfaction. The specific objective was to examine the perception of justice in service recovery and how it affects the level of satisfaction and behavioral outcomes. Descriptive design basically field survey was adopted as research deign. The study population was four major Turkish banks. A sample size of 408 customers out of the original 549 was found useable for analysis. The respondents were drawn using

simple random sampling technique. The suggested hypotheses were tested throughout structural equation modelling using AMOS 5.0. Results indicated that service failure recovery strategies in banks affect justice perceptions directly. On the other hand, the study found that perceptions of justice influence satisfaction with recovery, overall firm satisfaction, loyalty to the employee, loyalty to the organisation.

Boshoff, Peelen, Hoogendoorn, & Kraan (2005) carried out an exploratory study to assess, the different consumers and their complaints, and to what extent each of the fundamental dimensions of service recovery impacts satisfaction and repurchase intentions. The study participants are the customers of an airline company who handed in a written or oral complaint at the service desk after service failure.

RECOVSTAT instrument (Boshoff, 1999) was adapted to measure satisfaction with service recovery. The total number of items were nineteen (19), using a 7-point Likert scale. The study identified the following complaint from the customers: ticket/fares) complaints, lounges, airport (check-in, cabin baggage, excess baggage), airport (downgrading, denied boarding), flight operations (cancellation, delay), staff behaviour, in-flight (catering, newspapers), in-flight (seats, comfort) and baggage (damage, delay, lost). A distinction was made between membership of a frequent flyer programme, tourists, business or first-class booking, and with long (intercontinental) or short distance (European mainland) flights.

The target population for the study were all passengers of a major European airline who had lodged a complaint with the Customer Relations about a service failure related to a flight. Three thousand eight hundred and thirty five (3 835) copies of questionnaire were administered of these 1425 copies were returned and found usable. It is revealed that overall satisfaction with the way the airline handled the customer's claim was 4.06 on a 1-7 scale. The largest differences in the underlying scores were found for Compensation. Satisfaction

with compensation scores were either extremely low or extremely high. Generally, satisfaction with service recovery is positively related to repurchase intention.

Felix, (2017) carried out a study to determine the relationship between service quality and customer satisfaction in Banque Populaire du Rwanda, Kigali branches. The research design employed was both descriptive and cross-sectional survey designs. The sample size was 498 customers and was drawn from the population using convenient sampling technique. A selfadministered questionnaire was design to collect primary data. Data were analyzed using SPSS's frequencies and percentages, means, and Pearson's Linear Correlation Coefficient. The study was based on five research objectives which were to: determine the profile of respondents in terms of gender, type of account, educational qualification and banking experience, determine the level of service quality in BPR, determine the level of customer satisfaction among BPR customers, determine relationship between service quality and customers' satisfaction in BPR and recommend strategies enhance customer satisfaction basing on the study findings. The findings revealed that majority of the respondents were female, over three equators with current type of account, over half of the respondents had no professional education qualification and majority of the respondents had been customers for BPR for relatively a long period of time that is from three years and above. The findings also revealed a significant and positive relationship between service quality and customer satisfaction while comparing dimension like customer loyalty with reliability, responsiveness and assurance. On the other hand, comparison based on positive word of mouth with service quality sub-variables like Reliability, Assurance, tangibles, empathy and responsiveness, revealed that there was no significant relationship between the variables.

The Telecommunication industry in Nigeria has grown to such that it has resulted into competitions among the providers. This competition is occasioned by the available market that is huge enough to swell the subscriber base in telecommunication sector. Consequently

service providers strive actively to satisfy their subscribers in order to increase their subscriber base or retain the existing one. This necessitated the research by Alabar, Ode and Gbande (2017) to seek to empirically measure how service quality/delivery impact on customer satisfaction of Mobile Telecommunication providers in Nigeria. Descriptive research design based on cross-sectional survey method was adopted. The data used for this study were obtained using a structured survey questionnaire. The sample size consists of 532 mobile subscribers in Nigeria, using a simple random sampling technique spread across all the six geo-political zones in the country. The data obtained from the survey were analysed using the Statistical Package for Social Sciences (SPSS), Version 20. The results revealed that service quality and customer satisfaction are irrefutably independent but are closely related and without a doubt, potential partners, implying that an increase in one is likely to cause a change in another.

Owing to the poor quality of service delivery in the telecommunication industry in Nigerian and the urge to satisfy their customer necessitated a study. Abdul, Salman and Olota (2014) conducted a study to examine the effect of customer care service on customer satisfaction and examine the effect of network quality on customer satisfaction. A descriptive research design based on cross-sectional survey method was adopted. Primary data were used, the primary were obtained through the administration of questionnaire. The sample size 132 respondents were drawn from the population consisting of the four retail branches of MTN in Ilorin in Kwara State. The sample were drawn using simple random sampling technique. Frequency distribution and multiple regression method were used to analyse the data. The result of the analysis showed that quality customer care service and quality of network affects customer satisfaction, and that there is significant relationship between pricing policy of telecommunication organisation (MTN) and customer satisfaction.

Saglik, Gulluce, Kaya and Ozhan, (2014) in their study, examined perception of service quality and its impact on satisfaction through a research where students using the refectory within the university campus. In the study, a survey questionnaire was used as the research instrument for data collection. Sample size of 689 was drawn from the population of the total number of students enrolled in faculties and colleges within the central campus of Ataturk University in the 2011-2012 academic year of 37,358, the statistical tool used for data analysis were factor analysis, ANOVA, t-test, and multiple regression analysis.. Multiple regression analysis was applied to three dimensions of refectory service quality (service, hygiene and atmosphere) that were determined as a result of factor analysis and it was found that these dimensions affect satisfaction positively in general and at the level of 44%. Among the service quality dimensions, it was determined that atmosphere did not have a significant effect on satisfaction. Furthermore, it is among remarkable findings of the research that statistically significant differences were found between groups in terms of gender, the amount of monthly expenditure, and the faculty of the respondents using the one-way ANOVA tests and the t-tests.

The need to attract the telecommunication industry to provide value to customers in order to gain and sustain competitive edge necessitate a study. This prompted Sabir, Irfan, Sarwar, Sarwar & Akhtar (2013) to examine the impact of service quality, customer satisfaction and loyalty programs on customer's loyalty in Telecommunication sector of Pakistan. Descriptive research design was employed. All Telecom service provider companies; U fone, Warid, Telenor, Zong, Mobilink and PTCL in Pakistan were taken in the research. The population was the customers from different occupations in areas of Jhang and Okara districts of Punjab having different mobile phone connections of companies operating in Pakistan. Sample size of 150, however, 132 were found useable for data analysis. A structured questionnaire was designed and administered. The statistical tools for analysis were descriptive analysis,

correlation and multiple regression analysis. A comparative analysis of companies was also made. Results showed that service quality has much positive impact on customer satisfaction. Loke, Taiwo, Salim and Downe (2011) in their study examined the impacts of reliability, responsiveness, assurance, empathy and tangible all dimensions of service quality otherwise SERVQUAL model on customer satisfaction. Cross-sectional survey method form of descriptive design was used for the study. A total of 200 current users of a GSM provider participated in this study. The data analysis tools adopted were the t-test and regression analysis. Results showed that reliability, responsiveness, assurance and empathy significantly positively influenced customer attitudes in terms of satisfaction and loyalty. In addition, *t*-test results showed that there was a significant gap between the perceived satisfaction and importance (P-I) on all of the service quality dimensions.

Based on this varied reviews, the present study has been able to identify this gap and thus a proposition that affordability and objectivity are major dimensions of price fairness. Also, there is need to investigate the influence of service recovery dimensions on any of the behavioural outcomes such as customer satisfaction in our domestic environment (Nigeria).

Author	Year	Sample Size	Location of Study	Industry	Results
Kaura	2012	641	India	Banking	Price increase perceived price fairness and ultimately lead to rise in customer satisfaction.
Udin & Akher	2012	382	Bangladesh	Telecommunication	The study found that fair price has direct positive impact on customer satisfaction.
Hanif, Haflez & Riaz	2010	250	Pakistan	Telecommunication	The finding shows that price fairness and customer service predict customer satisfaction.
Tuan	2012	10 students from 4 college	Vietnam	Students of tertiary institution	The study shows that the various dimensions of perceived service quality and price fairness lead to student satisfaction.
Ahmat, Radzi, Zahari, Muhammed, Aziz, & Ahmed	2011	Customers of 5 Hotels		Hospitality(Hotel)	The results demonstrated that customer perception and assessment of price unfairness will lead to negative emotional response no action, self-protection and revenge.
Catoiu, Vranceanu and Tatu	2010			Hospitality	Price framing has direct influence on price fairness
Bei and Chiao	2001	650	A	Automobile & Banking	Perceived quality & price fairness have direct and indirect impact on customer satisfaction

Ibrahim and Abdallehamed	(2014)	80 staff & 150 subscriber	Uganda	Telecommunication	There is a significant positive relationship between service recovery based on firm's understanding of customer complaints firm fair treatment of the complaint and customer satisfaction.
Kolos and Kenesei	2009	Experiment 30 customers & employees		Telecommunication	The finding shows that employees' positive emotion and perceived control during the recovery process make consumers more satisfied.
Mensah,	2012			Telecommunication	The findings suggest that customer satisfaction rating differed according to mobile network and that previous dissatisfaction significantly influences complaining behaviour.
Felix	2017	498	Rwanda, Kigali	Banque Populaire du Rwanda	The findings also revealed a significant and positive relationship between service quality and customer satisfaction while comparing dimension like customer loyalty with reliability, responsiveness and assurance.
Alabar, Ode and Gbande	2017	532	Nigeria	Telecommunication	The results revealed that service quality and customer satisfaction are irrefutably independent but are closely related

Abdul, Salman and Olota	2014	132	Kwara, Nigeria	Telecommunication	Findings showed that quality customer care service and quality of network affects customer satisfaction, and that there is significant relationship between pricing policy of telecommunication organisation (MTN) and customer satisfaction.
Saglik, Gulluce, Kaya and Ozhan,	2014	689		students using the refectory	Finding revealed that the dimensions of refectory service quality (service, hygiene and atmosphere) affect satisfaction positively in general and at the level of 44%
Sabir, Irfan, Sarwar, Sarwar & Akhtar	2013	150	Pakistan	Telecommunication	Results showed that service quality has much positive impact on customer satisfaction.
Loke, Taiwo, Salim and Downe	2011	200	Nigeria	Telecommunication	Results showed that reliability, responsiveness, assurance and empathy significantly positively influenced customer attitudes in terms of satisfaction and loyalty.
Dib & Al-Msallam	2015	584	Syria	Mobile phone users	The results revealed that customer satisfaction significantly affects customer loyalty. In addition the study found that, the factors of perceived quality, brand image and price fairness affect brand loyalty

Cengiz, Er and Kurtaran	2006	408	Turkey	Bank	Results indicated that service failure recovery strategies in banks affect justice perceptions directly. On the other hand, the study found that perceptions of justice influence satisfaction with recovery, overall firm satisfaction, loyalty to the employee, loyalty to the organisation.
Beugre and Viswanathan	(2006)	111	Northeastern university in the United States	undergraduate business and psychology students	The results showed that distributive service recovery strategies are more effective than interactional service recovery strategies when the service failure is distributive

Source: Developed by Researcher, 2016

2.5 Summary of the Chapter

This chapter has considered two core variables and their dimensions in relation to how they determine customer satisfaction, namely: the perceived price fairness and service recovery. It has reviewed the various theories that underpin this study. The chapter does this by considering how they provide a basic foundation that shows the relationship fairness to justice. In the same manner, it considers the theories from the point of view of how they offer a basis for understanding the nature and state of determinants of customer satisfaction in the Nigerian telecommunication industry. The chapter has also discussed previous empirical evidences on price fairness perception, service recovery and service quality, paying attention to how they influence customer satisfaction. The discussion of empirical evidences provide the basis for exploring areas yet to be researched, and through this, provide the need to fill the gap in scholarship. Lastly, the chapter provide an overview of Nigeria's telecommunication industry and the active GSM network operators currently operating in Nigeria. It is on the basis of this that the next chapter establishes the methodology of this research.

CHAPTER THREE

RESEARCH METHODS

3.1 Preamble

This chapter focuses on the methods employed for gathering data in this study. The main aim is to discuss the methodology for the study. The section begins with a broad description of the research design employed, the meanings and justifications for adopting the design for the study. The chapter also defines the population for the study, examines the sampling procedures and techniques, describes the primary instrument employed for data collection, and explores issues relating to the tests of validity and reliability. Finally, it describes major statistical tools employed for the study.

3.2 Research Design

While a research method is easily defined as a technique for collecting data, a research design provides a framework for collecting and analysing data required for this study (Bryman & Bell, 2007). It is an arrangement of conditions for collecting and analysing data in a manner that aims to bridge the relevance to the research purpose (Olurode, 1996). Research design serves as a template guiding the way issues and relevant variables in a study are operationalised, observed and measured for the purpose of generating relevant data and information (Saunders, Lewis, & Thornhill, 2009). A choice of research design reflects decisions regarding the priority given to a range of dimensions of the research process. Based on time horizon, survey design is broadly divided into two: cross-sectional and longitudinal (Saunders *et al.*, 2009).

Specifically, this study employs a cross-sectional survey which allows data to be gathered on a phenomenon under consideration at a point in time from the point of view of cross-section of

social actors. In the present study, the social actors are the cross-section of mobile network subscribers. The choice of a cross-sectional survey method was based on the relevance of this design. The cross-sectional survey method has been employed generally by marketing and specifically by consumer behaviour scholars in previous studies that independently examined the concepts of price fairness perception, service failure recovery and on customer satisfaction (e.g. Xia *et al.* 2004; Xiao & Oma, 2014).

The cross-sectional survey is often employed when the researcher is faced with time and cost constraints (Easterby-Smith, Thorpe, & Jackson 2008). The survey research method was conceived to be capable of aiding the process of collecting a set of quantitative or numerical data (i.e. figures and numbers) which will give room for statistical analyses. Moreover, the data collected from a cross-sectional survey method are used to explain possible relationships between variables and to create models for them (Saunders *et al.*, 2009). In this study, it was therefore possible to generate findings that are representative of the whole population, rather than collecting data for the entire population. Based on a cross-sectional survey method, the data were obtained by administering many copies of questionnaire to a selected sample, following the tradition of Bryman and Bell (2007) and Saunders *et al.*, (2009).

3.3 The Study Area

Lagos State, Nigeria was selected as a study area. The choice of Lagos is influenced by the fact that it is the commercial hub of the country where the largest percentage of subscribers situated. Also, all telecommunication companies have their headquarters located in Lagos (NCC, 2008). Apparently, Lagos enjoys a set of population advantages in terms of the concentration of telecom providers and mobile networks users in the country. Since the exact subscriber base for each

Local Government Area (LGA) in Nigeria cannot be ascertained owing to the fact that subscribers have one or more SIMs, the five divisions in Lagos state were therefore considered a good representation of the mobile telecommunication subscribers in Nigeria. This would integrate all considerable elements in the general population of subscribers in the country. Furthermore, statistical analysis revealed that about 70 percent of the headquarters of other businesses are domiciled in Lagos despite the movement of the Federal Capital to Abuja, which account for the stiff competition that has generated into price war among the mobile telecommunication providers Lagos State Economic Empowerment Development Strategy (LASEED, 2005).

3.4 Description of Population

The population for this study is made up of individual subscribers in organised tertiary institutions and physical markets in Lagos State. These include workers, business owners, traders, students (full-time and majorly part-time) that use at least one of the four most popular and active mobile telecommunication networks, namely: MTN, AIRTEL, GLO, and ETISALAT in Lagos State Nigeria. Specifically, the population focuses on those subscribers whose lines have been registered with mobile service providers in Nigeria as at the time of this study as directed by the Nigerian Communication Commissions (NCC) the regulatory body for mobile telecommunication providers in the country. The subscribers/ consumers are the unit of study because they are particularly affected by price changes (price increase) and therefore determine price fairness. They are also directly affected by service failure and as such are expected to react to service recovery effort of the providers.

The population subjects are made up of subscribers of the four active mobile telecommunication networks resident in Lagos State. Basically, attention was focused on subscribers who are educated or can read and write and have more than one mobile line. Lagos State accounts for the largest share of active voice subscribers with 19.04 million or 12.8% of the total national subscribers of 148.74 million as at March 2016 (NBS 2016). This is the highest in Nigeria.

The breakdown of the Lagos subscribers across network as identified by (NBS 2016) are as follows:

MTN - 30%

GLO - 19%

Etisalat – 29%

Airtel - 22%

Source: (NBS 2016)

3.5 Sample Size Determination

Sample refers to the segment of the population that is selected for investigation (Bryman & Bell, 2007). In other words, it is the process of obtaining information about an entire population by examining a subset of the population. The adequacy and appropriateness of the minimum sample size used for this study was determined using Cochran (1977) standard formula. This formula was adopted because it is used for an infinite population that is greater than 50,000 (Freeman, Pisani, & Purves, 1997). It is as given below:

$$SN = \frac{Z^2 \times p \times (1 - p)}{C^2}$$

$$SN = \frac{1.96^2 \times 0.5 \times (1 - 0.5)}{0.05^2}$$

$$SN = 384.16 \approx 385$$

[79]

Where:

SN = Minimum Sample Size

Z = Z-value (e.g. 1.96 for a 95% confidence level)

P = Population Proportion in percentage expressed as decimal (50% (0.50))

C = Confidence interval or Margin of error allowable in the sample estimate of population which is estimated to be 5% (0.05)

However to reduce sampling error, minimize case of non-return of questionnaire and non-response bias, Saunder *et al.*, (2009) suggests that the computation of actual sample size which need to exceed the minimum sample size. Bertlett, Kotrlik, & Higgins (2001) also assert that should researcher choose to exceed the minimum sample, the estimate of response rate should be used for calculating it. Thus, an expected response rate of 60% was adopted for this study. The response rate was arrived at after calculating the average of the response rate of some previous studies in the telecommunication industry, (Wanjiku, Ombui, & Iravo, 2015; Malik & Ghafoor, 2012). The formula is calculated below:

$$N^{a} = \frac{Minimum \, sample \, size \, (SN)}{Response \, rate \, (R\%)}$$

$$N^a = \frac{385}{0.60} = 642$$

Where:

N^a = actual sample size required

SN = minimum sample size

R% = Response rate expressed as a percentage (60%).

3.6 Sampling Technique/Procedure

For the purpose of this study, a multi-stage sampling technique was employed. This is because as at the time this study was conducted there was no database for subscribers in each Local Government Area (LGAs) in Lagos state. To enhance the representativeness of the sampled respondents, cluster sampling was used to group Lagos state into the traditional five divisions; (Ikeja, Badagry, Lagos, Ikorodu and Epe). In selecting the sample, four stage sampling approach as earlier noted was adopted. At the first stage, Cluster sampling was found to be appropriate since the population is geographically dispersed. The five divisions had twenty (20) Local Government Area (LGAs). Stratified sampling method was adopted to identify and group the 20 Local Government Area. The use of stratified sampling is necessary because of the need to provide adequate data for analysing sub-population, (Cooper & Schindler, 2001). The number of LGA in each division are listed: Ikeja (8), Badagry (4), Lagos (5), Ikorodu (1), and Epe (2). Secondly, simple random sampling was used to select sampled LGA from the total LGA in each division, this is to allow for equal chances of being selected. The study survey was carried out among subscribers in tertiary institutions, businessmen and women in major markets within Lagos metropolis. This was done using the simple random sampling technique.

The third stage involved selecting tertiary institutions and physical markets to survey in the sampled LGA. This is done by identifying some major markets and tertiary institutions in each of the sampled LGA. Thereafter, the simple random sampling was employed for selecting the target institution or market. The fourth stage involved selecting the respondents for the survey. Convenient sampling technique was adopted because precise respondents were required to fill the instrument: those who were ready to fill, those who could read and write, especially in the

markets visited. Noticeably, there was no record in the archive of subscriber's data base for each LGAs in Lagos State.

Table 3.1: Divisions and Local Government Areas in Lagos State

Divisions	LGA	Sampled LGA	Institutions/Market sampled
Ikeja	Agege	Alimosho	Iyana Ipaja market
	Alimosho	Kosofe	Mile 12 market,
	Ifako-Ijaye	Oshodi-Isolo	Oshodi market
	Ikeja	Ikeja	Lagos City Polytechnic
	Kosofe		
	Mushin		
	Oshodi-Isolo		
	Shomolu		
Badagry	Ajeromi-Ifelodun	Ojo	LASU
	Amuwo-Odofin	Badagry	Adeniran College of
	Ojo		Education
	Badagry		Alaba market
	Lagos-Island		
Lagos	Lagos-Mainland	Lagos-Mainland	Oke-Arin market
	Surulere	Lagos-Island	Tejuosho market
	Apapa	Surulere	UNILAG
	Eti-Osa		
Ikorodu	Ikorodu	Ikorodu	LASPOTECH,
			Ikorodu market
Ере	Ibeju-Lekki	Ibeju-Lekki	Aja market,
	Epe	Epe	Michael Otedola College of
			Education
			Lagos Business
			School(LBS)
			. ,
Total	20	11	15

The Table 3.1. Shows the five divisions in Lagos state, the number of LGA in each division totaling twenty 20 LGAs for the five divisions. From the LGAs in each division, a sampled LGA was selected. Thereafter, that a sampled tertiary institution and market were selected from the sampled LGAs.

For example, in Alimosho LGA, Iyana Ipaja market was selected from the five (5) markets identified; in Kosofe LGA, mile 12 market was selected from the four markets identified, likewise in Oshodi-Isolo LGA, Oshodi market was selected from the three markets identified. In Lagos-Mainland LGA, institutions such as UNILAG, Yaba College of Technology, Federal College of Education (FCE) were identified, particularly, UNILAG was selected using the simple random sampling technique. However, the choice of institutions or markets from the sampled LGAs is based on the fact that from those LGA where markets were selected, there were several markets that dominated. However, in LGA where both institutions and market were dominant, both were selected.

Tertiary institutions and physical markets were considered appropriate target survey because of the nature of respondents required for the study. In the tertiary institution, it is assumed that different people with different socio-economic and educational background would be found. It was assumed that working class people would be found in the area surveyed. The area is also assumed to have part-time students who are already engaged with jobs. Other academic and non-academic staff are also regarded to be in the area. The physical market as well was also considered because people from different socio-economic and ethnic background are usually found in the market and may be the sellers and buyers.

Given the divisions and the number of LGAs in each of the division, a mathematical formula was used to determine the proportionate sample size for each division. The computation is captured by Table 3.2 below:

Table. 3.2: Divisions and sample size

Division	No. of LGA	Proportionate Sample	Division Sample
		Size for each Division	Size
Ikeja	8	8/20 × 642	257
Badagry	4	$\frac{4}{20} \times 642$	128
Ikorodu	1	$\frac{1}{20} \times 642$	32
Lagos	5	$\frac{5}{20} \times 642$	161
Epe	2	$\frac{2}{20} \times 642$	64
Total	20		642

The sample size that was determined for each division was divided by the number of tertiary institutions or physical market for each division. For example, in Ikeja division where we have 257 sample size. This was divided by 4. Therefore, we arrived at 64 for each institution or market for that division.

3.7. Research Instrument

In order to test the hypotheses formulated in this study, a research instrument, in particular, copies of questionnaires were designed to elicit information from consumers/ subscribers of the

four mobile telecommunication providers. This is done in order to determine their perception of price fairness, their attitudes and reactions towards the various service providers in the context of service failure, followed by recovery effort and how this ultimately lead to customer satisfaction. The data for this study were generated through the primary source of data collection.

The primary data involved the use of carefully structured, self-administered questionnaire suitable for analyses. The copies of questionnaire were administered to the selected mobile phone users in the selected tertiary institutions and markets in Lagos state, Nigeria. This is done in order to generate relevant data on opinions, feelings, attitudes, experiences and perception of price fairness and service recovery effort. Primary data are regarded as the fastest and modest of the data collection sources (Cowton, 1998). The questionnaire was presented in four sections. Section A comprised statements that elicit information on subscribers' perception of price fairness. Similarly, section B was designed to measure customers' reaction to service recovery effort. While section C was designed to collect information on customer's satisfaction. Section D captures respondents' demographic information.

3.8 Identification and Measurement Variables

A variable is a symbol to which differential values are assigned (Kerlinger, 1986). Independent and dependent variable were identified in this study.

Independent Variables

The independent variables studied in this research are classified into two main categories: perception of price fairness and service recovery. Price fairness dimensions include: flexibility, reasonability, acceptability, superiority, affordability and objectivity. In the same manner, there are several components of service recovery. They are; Compensation, Communication,

Empowerment, Timely- feedback, Tangibles, Apologies, and Explanation. Also, six dimensions of Price Fairness were used, of these, four were adapted from Srikajanerak *et al.*, (2009). They include: reasonability, acceptability, flexibility and superiority. Two others (objectivity and affordability) were created in this study to reflect the Nigerian environment.

Seven (7) dimensions of service recovery with communication having four items: compensation, empowerment, timely-feedback having three items each, while the remaining three. Tangibles, apologies, and explanation having two items each were adapted from Costa *et al.*, (2012).

Dependent Variable

The dependent variable examined in this study is customer satisfaction. Oghojafor, Mesike, Bakare and Omoera, (2012) 10-item scale for customer satisfaction was used. The scale consists of items that captured important facet of customer satisfaction appropriate for a study in the Nigerian telecommunication industry.

3.9 Pilot Study

The need to conduct a pilot study to revalidate the scales became imperative in view of the fact that the perceived price fairness and service recovery scales were modified by the researcher. There is no outright value agreed among the previous researchers as regards the number of copies of questionnaire to be piloted. However, Malhorta (2010) contends that the sample size for a pilot study should fall between the range of 15 to 30 respondents, while Blumberg, Cooper and Schindler (2011) gave a wider range of 25 to 100 respondents whose selection should not necessarily be subjected to severe statistical process. It is on these grounds that the researcher employed 41 respondents for the pilot study.

3.9.1 Test of Reliability

One of the reasons advanced for the test of reliability is that data obtained from behavioural research studies are often affected by random errors of measurement which may arise in the form of systematic error or random error (Drost, 2007). Systematic error occurs when errors are consistent and repeated. Random error is said to exist when an accurate score is erroneously misread (Rosenthal & Rosnow, 1991). This further explains why validity assumes a more relevant position than reliability. Reliable instrument may not be valid, but a valid instrument is always reliable. This is why systematic errors are the critical concern of validity.

This study computed the Cronbach alpha coefficients for all the variables and constructs used in the study to test the reliability. On the acceptable value for the Cronbach alpha coefficient of a scale, there had been different views. Hair, Black, Babin, and Anderson (2011) content that alpha value of 0.6 and above is the appropriate, while DeVellis (2003) claimed it should be 0.7 and above. However, it is recognised that Cronbach alpha value is somewhat sensitive to the number of items in the scale. Pallant (2010) claimed the Cronbach alpha value could be less than 0.7.

However, in a situation like this, it is agreed that the inter-item correlation for the items should be reported, and a value of 0.2 to 0.4 was recommended by Briggs and Cheek (1986). The summary of this study is that all the variables had Cronbach Alpha value of more than 0.60, thus, do not require the computation of the inter-item correlation as shown in Table 3.1

Table 3.3: Reliability Test

Variables	No of Items	Coefficient Alpha
Affordability	4	0.739
Objectivity	4	0.670
Flexibility	3	0.690
Acceptability	3	0.753
Superiority	4	0.686
Reasonability	3	0.747
Overall Price Fairness Perception	(21)	(0.743)
Compensation	3	0.894
Communication	4	0.608
Empowerment	2	0.740
Timely-Feedback	3	0.717
Tangibility	2	0.737
Apology	2	0.794
Explanation	2	0.744
Overall Service Recovery	(18)	0.713
Customer Satisfaction	8	0.723

Source: Field survey (2016)

3.9.2 Test of Validity

Validity defines whether the instrument measures that which it was designed to measure (Joppe, 2010). It is simply a fundamental principle for assessing the worth and richness of the finding of a study. The research instrument developed for this study was therefore validated through content validity test.

Content validity: This allows for skills and behaviour to be adequately measured. Thus, the research instruments for this study was reviewed by experts in the field of marketing. The instruments were reviewed specifically by two professors and a senior lecturer. Based on their comments, the unclear and obscure questions were revised and complex items reworded.

3.10 Administration of the Instrument

The instrument was administered among the mobile subscribers within the twenty LGAs in five divisions in Lagos state. Seven hundred copies of questionnaire were printed and distributed. It took two weeks for the copies of questionnaire to be administered. The administering of the questionnaire was aid by the assistance of research colleagues.

3.10.1 Coding of instrument

Some of the reasons for coding was to reduce bias responses. The leading variables and the subvariables were coded by assigning abbreviations to each. Also, coding is done to ensure easy analysis of data. Similarly, respondents' disposition to the attitude objects in question was obtained Likert scale. Each was assigned the same numerical codes. Because of the multiplicity of items, the codes were summed and averaged to obtain each respondent's overall perceptions of the issues in the items (Johns, 2005).

Above all, the simplicity and versatility of four anchors with no neutral value was based on the decision to ensure that level respondents did not sit on the fence which could make it difficult for researcher to obtain exact reflection of the phenomena under consideration (Johns, 2005; Vagias, 2006). Thus, all the questions in sections A, B and C were expressed in a statement form and scored on a 4-point Likert type scales which range from Strongly Agree to Strongly Disagree, with no mid-value. The neutral scale which could have completed the 5-point was noticeably removed in order to prevent some of the respondents from the use of the midpoint (undecided) to avoid reporting what they see as less socially acceptable answers (Johns, 2005). This ultimately forced respondents to concede to one side or another.

3.11 Method of Data Analyses

Data were presented and analysed using different statistical tools and techniques. The statistical tools are broadly classified into two, namely: descriptive and inferential statistics, Examples of descriptive statistics employed are frequency tables and simple percentages. Finally, relationships between the independent and dependent variables are tested with the aid of correlation coefficients and multiple regression analyses. The purpose of the former was to describe and analyse the data, while the latter essentially aimed at testing the hypotheses formulated.

The first hypothesis has perceived price fairness as the independent variable, while customer satisfaction is the dependent variable. Thus perceived price fairness was correlated with and further regressed on customer satisfaction. The second hypothesis has service recovery as the independent variable, while customer satisfaction is the dependent variable. Service recovery was also correlated with and regressed on customer satisfaction.

The third hypothesis was also tested with correlation matrix and regression to establish if there is a relationship between the independent variable which is service recovery and perceived price fairness. The fourth hypothesis was tested using multiple regression analysis to establish whether there is a significant relationship between service recovery, perceived price fairness and customer satisfaction.

3.12 The Multiple Regression Model

This study develops a regression model to further demonstrate the extent of relationship between perceived price fairness, service recovery and customer satisfaction. This assumes that the dependent variable, that is customer satisfaction (y), is functionally-related to the predictors x_1, x_2

i.e. $y = f(_0,_{1},_{2}, E)$. For this study, the following were put forward: Let Y be customer satisfaction, x_1 be perceived price fairness, x_2 be service recovery and E be error term.

The model here is: customer satisfaction = f (perceived price fairness, service recovery, E).

CHAPTER FOUR PRESENTATION AND ANALYSIS OF RESULT

4.1 Preamble

Data presentation, analysis, and interpretation, are the important facets of research effort. It gives meaning and shape to raw data obtained through the questionnaires during the field survey. In this chapter, attempt will be made to present, analyse, and interpret the collected data from the survey. Data collected are presented using descriptive statistics such as tables and simple percentages. Of the 642 copies of the questionnaire administered, 610 copies were found suitable for analysis after data cleaning to remove those with incomplete filling and duplications. The inferential statistics employed to test the stated hypotheses are the correlation, regression analysis, and multiple regression analysis. These statistical tools were, however, computed with the aid of the Statistical Package for Social Sciences (SPSS) version 2.0.

4.2 Descriptive Statistics Showing the Socio-Demographic Profile of the Respondents

The socio-demographic profile of respondents depicts the background knowledge of the respondents. It is important to place in proper perspective some demographic factors that could influence opinion. The distribution of the demographic profiles of the 610 respondents that participated fully in the study is presented. Table 4.1 summarizes the demographic profile of respondents.

Table 4.1: Socio demographic data of the respondents

Variables	Response Label	Frequency	Percentage
Gender			
	Male	324	53.1
	Female	286	46.9
Age			
	Below 21	54	8.9
	21- 30	264	43.3
	31- 40	188	30.8
	41- 50	66	10.8
	Above 50	38	6.2
Marital Status			
	Single	287	47.0
	Married	305	50.0
	Others	18	3.0
Educational Qualifica			
	Below SSCE	44	7.2
	SSCE	107	17.5
	ND/NCE	58	9.5
	Bachelor's Degree	230	37.7
	Master Degree	136	22.3
	Doctoral Degree	35	5.7
Occupational Status			
	Employed	381	62.5
	Self-employed	138	22.6
	Job seeker	40	6.6
	Others	51	8.4
Average Income			
	Below N50,000	123	20.2
	N50,001-N100,000	219	35.9
	N100,001-N150,000	82	13.4
	N150,001-N200,000	46	7.5
	N200,001-N250,000	50	8.2
	Above N250,000	90	14.8
Number of networks			
	1 SIM	124	20.3
	2 SIMs	328	53.8
	3 SIMs	133	21.8
	More than 3 SIMs	25	4.1
Service Failure Experience			
1	Yes	503	82.5
	No	107	17.5
Service Failure			
Complaint			
1	Yes	440	72.1
	No	170	27.9

Source: Field Survey, 2016

In Table 4.1, row 1 shows that Three Hundred and Twenty-Four (N = 324; 53.1%) of the respondents were male, while Two Hundred and Eighty-Six (N=286; 46.9%) were female. This showed that higher number of males participated in the survey than females. Notably, the study was meant to be gender friendly as it ensured that the number of female participants was appreciable with above 40% participants. Therefore, data collected is considered reliable for the purpose of this study.

Row 2 of Table 4.1 shows that majority of respondents belonged to the active workforce. Two Hundred and Sixty-Four of the respondents are in the age bracket of 21-30 years (N = 264; 43.3%) and 31-40 years One Hundred and Eighty-Eight (N = 188; 30.8%). Also, Fifty Four (N = 54; 8.9%) of the respondents were below age 21, Sixty-Six (N = 66; 10.8%) were 41 to 50 years, and Thirty Eight (N = 38; 6.2%) of the respondents were above 50 years. The implication is that the responses from this group are germane to the outcome of this study. This is because they perhaps fall into the working class who will feel the pain in two folds, responsible for the dependents and also cater for their personal needs, such as subscribing to the various network services they are subscribed to

Row 3 of Table 4.1 shows that more than half of the respondents surveyed are married (N=305; 50.0%). This is followed by those who are single (N=287; 47.0%), while the remaining (N=18; 3.0%) of the respondents indicated "others". It further implies that a suitable number of the respondents are responsible and had families they spend money on which often compete with expenses on the telecommunication.

Row 4 shows that an overwhelming number of respondents are educated with the highest being Bachelors' degree (N=230; 37.7%), followed by masters' degree holder (N = 136; 22.3%), then

SSCE (N=107; 17.5%), ND/NCE (N=58; 9.5%). Among the least are those respondents who perhaps do not have tertiary institution certificate (N=44; 7.20%) and Doctoral' degree holder (N = 35; 5.7%). It further suggests that the respondents could understand the relevance and implication of the study. They can read, comprehend and provide relevant answers to each of the questions posed in the research instrument. Also, it improves the robustness of the results

Row 5 of the Table 4.1, shows that (N = 381; 62.5%) of the respondents were gainfully employed, (N=138; 22.6%) were self-employed, (N = 40; 6.6%) were job seeker, while (N=51; 8.4%) expressed others. The implication is that price fairness could be perceived by the appropriate respondents. They earn money and know what it takes to spend it on their needs.

Row 6 reveals the distribution of respondents in terms of average income. Table 4.1 shows that (N = 123; 20.2%), earn below N50, 000, (N = 219; 35.9%) were N50, 001 to N100, 000, (N=82; 13.4%) were N100, 001 to N150, 000, while those who earn between N150, 001 to N200, 000, were (N=46; 7.54%). Also (N=50; 8.2%) earn between N200, 001 to N250, 000, and those (N=90; 14.8%) earn above N250, 000. This implies that a little above average of the respondents earn exactly hundred thousand and below, while less than 15% were on salary that is above two hundred and fifty thousand naira (N250, 000), suggesting that very few had enough money to cope with, thus justifying why they should complain when there is service failure.

Row 7 shows that most of the respondents had between two to three SIMs, those who had two SIMs are (N = 328; 53.8%) and (N = 133; 21.8%) had three SIMs. Those with one SIM are (N=124; 20.3%), while the remaining (N = 25; 4.1%) had more than three SIM. It is thus inferred that subscribers must have possibly experienced service failure or unfairness encounter in the service provided by any of the network providers.

Row 8 shows that an impressive number of respondents (N = 503; 82.5%) had experienced service failure, while (N = 107; 17.5%) had never experienced service failure. It indicates that service failure within the telecommunication industry is a constant experience. Row 9 of the Table 4.1 shows that subscribers of the various mobile network services in the country will complain when they are compelled to do so as majority of the respondents (N = 440; 72.1%) who had experienced service failure actually complained, while (N = 170; 27.9%) indicated they did not complain.

4.2: One sample statistics for Perceived Price Fairness and its measures (Affordability, Objectivity, flexibility, acceptability, superiority and reasonability) (n=610)

Variables	Mean	Std. Deviation	Sig. (2-tailed)
Affordability	3.0139	0.65309	0.000
Objectivity	3.0270	0.53824	0.000
Flexibility	2.8552	0.61155	0.000
Acceptability	2.5814	0.65341	0.002
Superiority	2.7066	0.59050	0.000
Reasonability	2.7153	0.68182	0.000
Perceived Price Fairness	2.8166	0.41429	0.000

Source: Field Survey, (2016)

Table 4.2 presents the mean and standard deviation of the factors that determine subscribers' opinion of price fairness. This shows that objectivity of mean score (3.0270) is the most important factor that informs perceived price fairness. Also, it shows that most of the respondents support items under objectivity. The immediate most important are affordability of mean score (3.0139), while the least is acceptability of mean score (2.58). This indicates that the mean score for acceptability is a little above the average of 2.50 for a 4-point scale, thus

revealing a positive response to the items. This implies that subscribers expect service providers to put all factors necessary for setting their price into consideration, before they could be regarded as being objective in setting their prices.

Table 4.3: One sample statistics for Service Recovery and its measures (compensation, communication, empowerment, total feedback, tangibility, apology and explanation) (n=610)

Variables	Mean	Std. Deviation	Sig. (2-tailed)
Compensation	2.0552	.83224	.000
Communication	2.7131	.58237	.000
Empowerment	2.8648	.71069	.000
Total Feedback	2.6104	.72684	.000
Tangibility	2.7525	.69140	.000
Apology	2.7533	.73737	.000
Explanation	2.5623	.74238	.039
Service Recovery	2.6159	.51918	.000

Source: Field Survey,(2016)

Table 4.3 presents the mean score of the strategies for perceived service recovery. The most important approach to service recovery is empowerment with mean score (2.8648), followed by communication of mean score (2.7131), while the least of the approaches is compensation of mean score (2.0552). It also shows that all the variables under service recovery, except compensation had positive response from the participants. It can, therefore, be inferred from this that the policies, procedures, and structures that mobile network providers put in place to help subscribers who may have come to complain is the most critical approach, However, a larger number of subscribers did not agree that they were compensated.

Table 4.4: Customer Satisfaction

Table 4.4. Customer Saustaction		Scale	Level			
Variables	1	2	3	4	Mean	Std.
v arrables	SD	D	A	SA	- IVICAII	Dev
	%	%	%	%	-	
I am satisfied with the pricing of my network	9.7	36.9	35.9	17.5	2.61	.885
service provider						
The ease to change from one service plan in the	5.6	23.6	47.9	23.0	2.88	.822
Nigerian mobile telecommunication to other gives						
me satisfaction						
My service provider in the Nigeria mobile	7.2	41.3	36.2	15.2	2.60	.831
telecommunication provides the best price option						
that gives me satisfaction						
Comparing the pricing option of my service	4.4	34.8	44.4	16.4	2.73	.785
provider in terms of affordability with others gives						
me satisfaction						
The reasonability of the pricing option of my service	6.6	32.5	44.8	16.2	2.71	.815
provider gives me satisfaction						
I am satisfied when I can afford the price of my	4.4	18.5	56.2	20.8	2.93	.753
network provider?						
I am satisfied when price is objectively set	3.1	16.9	53.8	26.2	3.03	.745
I am satisfied when my complaints are attended to	3.8	10.7	52.3	33.3	3.15	.754
I am satisfied when failed service is restored	4.1	15.4	54.4	26.1	3.02	.761
I am satisfied when service failed the second time	10.5	30.3	41.1	18.0	2.67	.891
and is restored						

Table 4.4.1: One sample statistics for Satisfaction

	Mean	Std. Deviation	Sig. (2-tailed)
Customer Satisfaction	2.8333	.44396	.000

Source: Field Survey, (2016)

Table 4.4 and Table 4.4.1 present the mean score on the items put forward for measuring customer satisfaction. The most important among the items for customer satisfaction is that "I am satisfied when my complaint are attended to" of mean score (3.15), while the item with the least is "My service provider in the Nigerian mobile telecommunication provides the best price option that gives me satisfaction" of mean score (2.60). It also reveals that all the items for customer satisfaction had positive response from the participants. It can, therefore, be inferred from this that subscribers of the four mobile network are mostly satisfied when they receive attention on their complaints, while providing best price option from the Nigerian mobile telecommunication gives subscriber satisfaction the least among the items.

Table 4.5. Correlation Matrix showing the relationships between constructs

Pearson Correlations

	AFF	OBJ	FLX	ACC	SPN	RSN	PPF	COMP	COM	EMP	TFB	TAN	APO	EXP	SER	CUS
AFF	1	.131**	.417**	.235**	.389**	.131**	.584**	.104*	.121**	.105**	.108**	.030	.114**	.094*	.133**	.083*
OBJ		1	.219**	.183**	.186**	.208**	.455**	.073	.195**	.168**	.109**	.190**	.138**	.173**	.202**	.227**
FLX			1	.420**	.498**	.403**	.742**	.228**	.248**	.234**	.195**	.191**	.226**	.218**	.303**	.336**
ACC				1	.471**	.505**	.718**	.401**	.372**	.264**	.353**	.268**	.253**	.319**	.441**	.331**
SPN					1	.514**	.768**	.337**	.383**	.304**	.306**	.239**	.219**	.281**	.406**	.376**
RSN						1	.708**	.389**	.415**	.322**	.341**	.308**	.284**	.355**	.475**	.441**
PPF							1	.391**	.438**	.352**	.359**	.308**	.312**	.364**	.497**	.451**
COMP								1	.460**	.229**	.395**	.310**	.336**	.409**	.637**	.290**
COM									1	.465**	.559**	.533**	.472**	.486**	.765**	.442**
EMP										1	.492**	.481**	.367**	.435**	.676**	.354**
TFB											1	.557**	.509**	.532**	.794**	.362**
TAN												1	.450**	.432**	.732**	.336**
APO													1	.528**	.723**	.367**
EXP														1	.757**	.387**
SER			·					·							1	.496**
CSATS																1

^{**.} Correlation is significant at the 0.01 level (2-tailed).

Source: Field survey (2016)

AFF	-	Affordability	COMP -	Compensation
OBJ	-	Objectivity	COM -	Communication
FLX	-	Flexibility	EMP -	Empowerment
ACC	-	Acceptability	TFB -	Total Feedback
SPN	-	Superiority	TAN -	Tangibility
RSN	-	Reasonability	APL -	Apology
PPF	-	Perceived Price Fairness	EXP -	Explanation
PSR	-	Perceived service recovery	CSAT -	Customer satisfaction
				[100]

[100]

^{*.} Correlation is significant at the 0.05 level (2-tailed).

Table 4.5 above shows the correlation result of the analysis done through the aid of the Statistical Package for the Social Sciences (SPSS). The Pearson correlation coefficient was also used to show the relationship between independent and dependent variables. The result shows a relationship between customer satisfaction (dependent variable) and affordability of 0.083* at significant level of 0.05.

There is a significant positive relationship between customer satisfaction (dependent variable) and objectivity of 0.227**. The two tailed test yield a P-value = 0.000 which was significant at 0.01 levels. The result reveals a relationship between customer satisfaction (dependent variable) and flexibility of 0.336** which depicts a positive correlation. Also, the two tailed test conducted to check for the significance level of the value of correlation coefficient yields a P-value = 0.000 which was significant at 0.01 levels.

The result reveals a relationship between customer satisfaction (dependent variable) and acceptability of 0.331^{**} which depicts a positive correlation. Also, the two tailed test conducted to check for the significance level of the value of correlation coefficient yields a P-value = 0.000 which was significant at 0.01 levels. The result reveals a relationship between customer satisfaction (dependent variable) and superiority of 0.376^{**} which depicts a positive correlation. Also, the two tailed test conducted to check for the significance level of the value of correlation coefficient yields a P-value = 0.000 which was significant at 0.01 levels.

The result shows a relationship between customer satisfaction (dependent variable) and reasonability of 0.441** which depicts a positive correlation. Also, the two tailed test conducted to check for the significance level of the value of correlation coefficient yields a P-value = 0.000 which was significant at 0.01 levels. There is a significant positive relationship between **customer**

satisfaction (dependent variable) and perceived price fairness (core independent variable) of 0.451^{**} . The two tailed test conducted yields a P-value = 0.000 which was significant at 0.01 levels.

The result demonstrates a significant positive relationship between customer satisfaction (dependent variable) and compensation of 0.290^{**} . Also, the two tailed test conducted to check for the significance level of the value of correlation coefficient yields a P-value = 0.000 which was significant at 0.01 levels. The result reveals a relationship between customer satisfaction (dependent variable) and communication of 0.442^{**} which depicts a positive correlation. The two tailed test conducted yields a P-value = 0.000 which was significant at 0.01 levels.

The result shows a relationship between customer satisfaction (dependent variable) and empowerment of 0.354^{**} which describes a positive correlation. Also, the two tailed test conducted to check for the significance level of the value of correlation coefficient yields a P-value = 0.000 which was significant at 0.01 levels. There is a significant positive relationship between customer satisfaction (dependent variable) and total feedback of 0.362^{**} . The two tailed test conducted to check for the significance level of the value of correlation coefficient yields a P-value = 0.000 which was significant at 0.01 levels.

There is a significant positive relationship between customer satisfaction (dependent variable) and tangibility of 0.336^{**} . Also, the two tailed test conducted shows a P-value = 0.000 which was significant at 0.01 levels. The result reveals a relationship between customer satisfaction (dependent variable) and apology of 0.367^{**} which depicts a positive correlation. The two tailed test yields a P-value = 0.000 which was significant at 0.01 levels.

There is a significant positive relationship between customer satisfaction (dependent variable) and explanation of 0.387^{**} . The two tailed test conducted to check for the significance level of the value of correlation coefficient yields a P-value = 0.000 which was significant at 0.01 levels.

The result demonstrates a significant positive relationship between **customer satisfaction** (dependent variable) and **perceived service recovery** (core independent variable) of 0.496** which depicts a positive correlation. Also, the two tailed test conducted to check for the significance level of the value of correlation coefficient yields a P-value = 0.000 which was significant at 0.01 levels.

4.3 Test of Hypotheses

In this section, the stated hypotheses were tested using the Simple Regression Analyses. Correlation value corresponding for each hypothesis is computed as shown in the correlation matrix table 4.5

Hypothesis One:

 H_01 : There is no significant relationship between perceived price fairness and customer satisfaction in the Nigerian mobile telecommunication.

Table 4.6: Perceived Price Fairness vs. Customer Satisfaction

		N	Model S	Summary	,					
Model	R	R Square	Э	Ad	Adjusted R Square			Std. Error of the Estimate		
1	.451 ^a		.203			.202			.396	56
a. Predictors: (Cons	stant), Perceived P	rice Fairness					_			
			ANG	OVA ^a						
Model	Sum	of Squares		df	Ме	an Square		F	Sig.	
1 Regress	ion	24.421		1		24.421		155.292	.00	0 _p
Residua	I	95.613		608		.157				
Total	ľ	120.034		609						
a. Dependent Varia b. Predictors: (Cons										
			Coeffi	icients ^a						
		Unstanda	ardized	Coefficie	Standardize ents Coefficients					
Model	В		Std. Er	ror	Beta		Т	Sig.		
1 (Constant)	1.	.472		.110			13.329	.0	00
Perceived		.483		.039 .4		451	12.462	.00	00	
a. Dependent Varia	ble: Customer Sat	sfaction								

Table 4.6 presents the results of the regression analysis for perceived price fairness as predictor of customer satisfaction. The results in Table 4.6 show that the regression R (0.451) indicates a positive and statistically significant relationship between the predictor (perceived price fairness and the dependent variable (Customer satisfaction). The R-squared statistic, as explained by the fitted model, implies that about 20.3% of the total variation in measure of customer satisfaction is explained by the variations in perceived price fairness. The ANOVA results for perceived price fairness as predictor of customer satisfaction is statistically significant with F-value of 155.292 and p -value of 0.000. The regression coefficient, t statistic and p value for the model implies that perceived price fairness ($\beta = 0.483$, t = 12.462, p value = 0.000) exerts a positive and statistically significant relationship on customer satisfaction. Therefore, the null hypothesis is rejected. Thus, we conclude that Perceived price fairness significantly correlated with customer satisfaction.

Hypothesis Two:

H₀2: There is no significant relationship between service recovery and customer satisfaction in the Nigerian mobile telecommunication.

Table 4.7: service recovery vs. Customer Satisfaction

		N	lodel Sur	nmary						
Model	R	R Square	Э	Adju	sted R Square	Std. Erro	Std. Error of the Estimate			
1	.496 ^a		.246		.245		.3858			
a. Predictors: (0	Constant), Service Re	ecovery	-			-				
			ANOV	A ^a						
Model	Sui	m of Squares	df		Mean Square	F	9	Sig.		
1 Reg	ression	29.541		1	29.541	198.4	74	.000 ^b		
Resi	idual	90.494		608	.149					
Tota	ıl	120.034		609						
	/ariable: Customer Sa Constant), Service Re			<u>-</u>						
			Coefficie	ents ^a						
		Unstandardize	ed Coeffic	ients	Standardized Co	oefficients				
Model		В	Std.	Error	Beta		Т	Sig.		
1 (Cons	stant)	1.724		.080) [21.463	.000		
Servi	ce Recovery	.424		.030)	.496	14.088	.000		
_	ariable: Customer Sa		-	.030	<u>' </u>	.490	14.000			

Table 4.7 presents the results of the regression analysis for service recovery as predictor of customer satisfaction. The results in Table 4.7 show that the regression R (0.496) indicates a positive and statistically significant relationship between the predictor (service recovery) and the dependent variable (Customer satisfaction). The R-squared statistic, as explained by the fitted model, implies that about 24.6% of the total variation in measure of customer satisfaction is explained by the variations in service recovery. The ANOVA results for service recovery as predictor of customer satisfaction is statistically significant with F-value of 198.474 and p -value of 0.000. The regression coefficient, t statistic and p value for the model implies that perceived service recovery ($\beta = 0.496$, t = 14.088, p value = 0.000) exerts a positive and statistically significant relationship with customer satisfaction. Therefore, the null hypothesis is rejected. Thus, we conclude that Service recovery is significantly correlated with customer satisfaction.

Hypothesis Three:

H₀3: There is no significant relationship between perceived price fairness and service recovery in the Nigerian mobile telecommunication.

Table 4.8: Perceived Price Fairness vs. Service Recovery

		N	lodel Summa	ry			
Model	R	R Square	e A	djust	ed R Square	Std. Error of th	ne Estimate
1	.4	197 ^a	.247		.245		.35991
a. Predictors:	(Constant), Servic	e Recovery	ANOVA ^a				
Model		Sum of Squares	df		Mean Square	F	Sig.
1 Re	gression	25.769	1		25.769	198.935	.000 ^b
Re	sidual	78.757	608	3	.130		
То	tal	104.525	609)			
•	Variable: Perceive (Constant), Service		Coefficients	1			
		Unstandardize	ed Coefficients	;	Standardized Coefficients		
Model		В	Std. Error		Beta	Т	Sig.
1 (Co	nstant)	1.780		075		23.762	.000
Ser	vice Recovery	.396		028	.497	14.104	.000
a. Dependent	Variable: Perceive	ed Price Fairness	-	-	•		
	·						

Table 4.8 presents the results of the regression analysis for service recovery as predictor of perceived price fairness. The results in Table 4.6 show that the regression R (0.497) indicates a positive and statistically significant relationship between the predictor (service recovery) and the dependent variable (perceived price fairness). The R-squared statistic, as explained by the fitted model, implies that about 24.7% of the total variation in measure of perceived price fairness is explained by the variations in service recovery. The ANOVA results for service recovery as predictor of perceived price fairness is statistically significant with F-value of 198.935 and p -value of 0.000. The regression coefficient, t statistic and p value for the model implies that service recovery ($\beta = 0.497$, t = 14.104, p value = 0.000) exerts a positive and statistically significant relationship with perceived price fairness. Therefore, the null hypothesis is rejected. Thus, we conclude that Service recovery is significantly correlated with Perceived price fairness.

Hypothesis Four:

 H_04 : Perceived price fairness and Service recovery do not significantly affect customer satisfaction.

Table 4.9: Perceived Price Fairness and Service Recovery vs. Customer Satisfaction.

			Me	odel S	Summar	y				
Model	R		R Square	:	Adj	justed R Square		Std. Error of th		the Estimate
1	.549	9 ^a		.302			.299			.37159
a. Predictors:	a. Predictors: (Constant), Service Recovery, Perceived Price Fairness ANOVA ^a									
Model	S	um o	f Squares		Df	Me	an Square		F	Sig.
Reg	gression		36.218		2		18.109		131.148	$.000^{b}$
1 Res	sidual		83.816		607		.138			
Tot	al		120.034		609					
_	-			Coeff	icientsª		-	-		
Model			Unstandar	dized	Coeffic	ients	Standardize Coefficien		T	Sig.
			В		Std. Er	ror	Beta			
(Con	istant)		1.2	205		.107		11.22		.000
1 Perceived Price Fairness			291	91		• 4	272	6.954	.000	
Serv	Service Recovery				.309			361	9.243	.000
a. Dependent	Variable: Custon	ner Sa	atisfaction	=======================================		-			-	-

Table 4.9 presents the results of the regression analysis for perceived price fairness and service recovery as predictor of customer satisfaction. The results in Table 4.6 show that the multiple R (0.549) indicates a positive and statistically significant relationship between the predictor (perceived price fairness and service recovery) and the dependent variable (Customer satisfaction). The R-squared statistic, as explained by the fitted model, implies that about 30.2% of the total variation in measure of customer satisfaction is explained by the variations in perceived price fairness and service recovery. The ANOVA results for perceived price fairness and service recovery as predictor of customer satisfaction is statistically significant with F-value of 131.148 and p -value of 0.000. The regression coefficient, t statistic and p value for the model implies that perceived price fairness ($\beta = 0.291$, t = 6.954, p value = 0.000) and service recovery ($\beta = 0.309$, t = 9.243, p value = 0.000) exerts a positive and statistically significant effect on customer satisfaction. Therefore, the null hypothesis is rejected. Thus, we conclude that Perceived price fairness and Service recovery significantly affect customer satisfaction.

Discussion of findings

The study reveals that there is a significant relationship between perceived price fairness and customer satisfaction. This is corroborated by (Kaura 2012; Uddin & Akher 2012; Hanif, *et al.*, 2010; Tuan, 2012; Catonu, *et al.*, 2010; Bajpai, 2012; Bu & Chiao, 2001). The various extant study supported the proposition with specific attention on (Uddin & Akher, 2012; Hanif, *et al* 2010) whose study were basically in the telecommunication's industry. Subscribers' perception of price fairness is not only positively related to customer satisfaction along with other factors such as service quality, customer service etc but seems to have larger effect than others. In addition, the study also shows that perceived service recovery is significantly related to customer satisfaction and is widely supported (Ibrahim & Abdallehamed, 2014; Kolos & Kenesei, 2009; Mensah, 2012). The

relationship between service recovery and customer satisfaction is more strengthened by how customer complaints are treated or handled (Ibrahim & Abdallehamed, 2014).

The study also reveals that there is a significant relationship between service recovery and perceived price fairness. This is attested to by Chang, *et al.*, (2007). Their findings show a positive relationship between perceived justice and customer satisfaction. This further argued that perceived justice is strongly linked to price-fairness. This relationship stem from the assumption that price fairness evaluation is informed by the successful recovery of the failed service. For example, in a situation where a service failure results in a successful recovery of the service, the evaluation of the situation may attract positive word of mouth linking the value of the price quoted for the service as fair in relation to the recovered service.

Determining the effect of the two variables (perceived price fairness and service recovery) on customer satisfaction is rare with extant studies on this subject areas especially when the two variables are combined in a single study.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Preamble

Chapter one of this study introduces the research process. It comprises the background to the study, statement of the problem, research objectives, research questions, research hypotheses, the significance of the study, scope and delimitation of the study, and operational definition of key terms. Chapter two features a review of existing literature, theoretical framework, conceptual and empirical frameworks. Chapter three considers research design, study area, description of the population, sample size determination, sampling technique, research instrument, identification and measurement of variables, a pilot study (test of validity and reliability), administration of instrument, and method of data analyses. The fourth chapter focuses on the presentation and analysis of data and test of hypotheses. Chapter five presents the summary of findings, conclusion, recommendations, theoretical and managerial implications, contributions to knowledge and suggestion for further studies.

5.2 Summary of Findings

The major findings of this study are discussed below.

The consumer perception of price fairness may influence customer satisfaction in the Nigeria mobile telecommunication. This thus clearly indicates that being price sensitive is normal with an average consumer in Nigeria because of a relatively poor standard of living. In turn, it significantly influences their overall satisfaction. Furthermore, the ranking among the price fairness dimensions as perceived by the subscribers are; objectivity, affordability, flexibility, reasonability, superiority, and acceptability. This also implies that subscribers expect service providers to put in place all factors necessary for setting their price into consideration, before they can be regarded as being objective in setting their prices.

The emphasis on hypothesis two was to assess the relationship between service recovery and customer satisfaction in the Nigerian mobile telecommunication with R². Value of 24.6% in Table 4.7. The study established a positive relationship between service recovery and customer satisfaction, implying that effective service recovery may restore consumers' confidence in the quality of services provided by providers of the mobile telecommunication in Nigeria and ultimately result in customer satisfaction, and by extension creating a good relationship between subscribers and service providers.

Hypothesis three was proposed to investigate the relationship between service recovery and perceived price fairness. The result of the R². Value of 24.7% validates that successful service recovery is strongly related to subscribers' perception of price fairness in the mobile telecommunication industry in Nigeria. Service recovery plays a dominant role in shaping the relationship between the subscribers' perception of price fairness and their eventual satisfaction. Hypothesis four was intended to determine if both perceived price fairness and service recovery have significant effect on customer satisfaction. The empirical findings in the regression model in Table 4.9, depicts that they both affect customer satisfaction with R². Value of 30.2%, The ANOVA results for perceived price fairness and service recovery as predictor of customer satisfaction are also statistically significant with F-value of 131.148. This implies that the two predictors; perceived price fairness and service recovery may inclusively determine customer satisfaction. When a subscriber is price sensitive, it helps to account for his or her judgment of the fairness of the price, especially when confronted with failed service which requires recovery. These may lead to satisfaction.

5.3 Conclusion

The main conclusion drawn from the preceding findings of this study suggests that perceived price fairness is significantly related to customer satisfaction in the Nigerian telecommunication industry. Reasonability and superiority are the overriding factors among the perceived price fairness variables. They also significantly account for the satisfaction of the Nigerian telecommunication industry. For these reasons, there is a need for the management of this network providers to embark on effective pricing policy that will ensure that subscribers' perception of price for services are reasonably evaluated for the purpose of competitive advantage.

Also there is need for management of mobile network operators to understand the policies, procedures and structures (empowerment) put in place to support the customers who may want to lodge complaint. Management policies, in this regard, should be strengthened. Most importantly, the physical display of organisational facilities which often served as medium of communication (tangibility) should be given adequate attention in order to generate favourable reception and assessment from subscribers in their recovery efforts.

It is also concluded that when subscribers perceived price as fair and a failed service is successfully recovered, subscribers would have been satisfied. Ultimately, not only does it lead to competitive advantage for the company, but also retains subscriber, preventing them from leaving the service of one network provider to another.

5.4 Recommendations

Based on the conclusion drawn from the finding of this study, it is recommended that the management of mobile network providers should ensure that all necessary factors are objectively integrated when setting prices for their service. This is important because consumers, according to justice theory, will always want to restore fairness, should they perceive discrepancy in the price set

by the provider of the mobile telecommunication. The method of arriving at pricing should be reasonably objective. Their reactions to the discrepancies may result in negative outcomes (negative word of mouth, de-marketing, switching behaviour etc.) which could be more damaging to the firm in ways like, loss of subscribers, loss of profit, massive reduction in market share etc.

The functional facilities should be provided to ensure that service error is minimized. And should there be any need to recover a failed service, it should be done in the direction of all complaints put forward by the subscriber/customer. The Government, in her regulatory role should come up with laws that will ensure that subscribers are not exploited through abnormal pricing or in the provision of poor service.

The policies, procedures, and structures that mobile network providers put in place to attend to subscriber's complaints should be improved. Subscribers who may have suffered loss as a result of service failure should be objectively verified and adequately compensated. This will not only motivate subscribers, but will also drive network providers to ensure of the delivery excellent service.

It has been asserted that most of Nigeria's population live below the poverty line (UNICEF 2010). Given this and going by the result of the findings, mobile network providers should ensure that during the process of setting price for their services, customer's ability to afford the set price is factored in.

Furthermore, extant studies have that for some of the features of service such as; perishability, intangibility and inseparability, service errors are inevitable, it therefore behooves on the mobile telecommunication providers to ensure that errors are reduced to the barest minimum to prevent unfair judgment of the price by the subscribers.

The management of the mobile telecommunication providers should also ensure that subscribers' satisfaction dominate their thinking. Efforts should be directed towards satisfying the yearnings and expectations of subscribers, because it is more profitable to retain the current customers than to get new ones. In the same manner, the mobile telecommunication providers in Nigeria can adapt the dimensions for service recovery as strategies for coping with service failure as well as promptly attend to subscribers when complaints are made.

5.5 Theoretical and Managerial Implications of the study

The findings of this study have significant theoretical and managerial implications for service in the telecommunication's industry in particular and marketing practices in general. The theoretical and managerial implications are therefore discussed below:

5.5.1 Theoretical implications

This study develops a model in the mobile telecommunication industry in Nigeria by adapting the two models on perceived price fairness and service recovery by Srikanjanarak, *et al.*, (2009) and Boshoff (2005). This study has subjected the variables in this model to test and was validated. The models are found to be applicable and useful in determining customer's satisfaction in the telecommunication industry in Nigeria. Moreover, this work has extended research to price fairness, service recovery and customer satisfaction model in a single study and therefore has contributed to existing scholarship.

Also, the study established a connection among the three variables (price fairness, service recovery and customer satisfaction), creating an understanding of the trend and extent of the relationship among these variables in the mobile telecommunication industry in Nigeria.

In general, adopting and effecting the proposed model, will enable the regulators and providers to officially establish objective price control and service recovery practices in the mobile

telecommunication industry in Nigeria. The findings in this study also offer support for the use of multi-dimensional paradigm for theorizing and assessing price fairness and service recovery. This attempt helps to improve the robustness of price fairness dimensions, by the addition of two other variables (affordability and objectivity).

5.5.2 Managerial Implications

The results of this study show that subscribers in the mobile telecommunication sector are not after all satisfied with the current pricing as well as the service encountered and providers' attitude toward the implementation of the dimensions of service recovery. The foremost implication is that subscribers whose expectations are not met or dissatisfied, may engage in negative word of mouth, de-marketing, or switch to another network. If this trend is allowed to continue, mobile telecommunication providers will, rather than attend to issues that bother on providing services will keep attending to subscribers' complaints on a daily basis.

The findings that price fairness is significantly related to customer satisfaction has a serious implication for the continuous existence of mobile telecommunication providers. This is because subscribers, in an attempt to restore fairness, may engage in obvious behaviour outright damaging of company's image that may result in loss of customer and profitable sales. As clearly opined by Drucker (1973), customers are the reason for any firm to be in business.

5.6 Suggestions for further study

The study highlights the possibilities for future research in the following areas:

This study was conducted to delimit its scope to the telecommunication industry in Nigeria. Though telecommunication industry is one thriving sector. Its growth in the last decade in Nigeria is unimaginable. Future research could be conducted to focus on another sector, specifically the manufacturing sector that has seen a decline in the last three decades in Nigeria. This could reflect

some reasons to resuscitate the sector from total collapse. Secondly, the study adopted the service recovery dimensions which focus on the seven dimensions identified in Boshoff (2005). Future research is suggested to adapt these dimensions with the addition of some variables that will reflect the complexity and nature of the Nigeria's environment.

The study area for this study is Lagos state which accounted for the highest number of subscribers in the Nigeria. Future research could be conducted to focus on another area, such as a state in Northern Nigeria. This is necessary because of the variation in contextual and cultural differences which are capable influencing the respondents' perception.

Future studies in this area are encouraged to investigate whether the proposed conceptual framework applies to other service firms in the country. This is informed by the fact that the telecom industry presently enjoys the benefit inherent in marketing concept of the need identification which increased the need for the service. More research is needed to focus and analyse responses on gender differences. In this study, responses from the two gender surveyed were analysed in the respondents' socio demographic variables, but was not stated and analysed in the test of hypotheses.

5.7 Contributions to Knowledge

The study makes the following contributions to knowledge:

- .1. This study has developed and empirically tested a conceptual model that integrates how price fairness and service recovery influence customer satisfaction formation in the mobile telecom industry in Nigeria. Accordingly, this research offers a more comprehensive understanding of the interrelationships among the three constructs in the Nigerian telecommunications industry.
- 2. The study provides the result to support the use of a multi-dimensional approach in investigating price fairness. The theoretical contribution of this study stems from the attempt to enrich price

fairness dimensions by providing local empirical evidence that reinforces the importance of two additional dimensions (affordability and objectivity) in enhancing customer's satisfaction so as to realize a profitable business relationship.

- 3. It has developed a conceptual model by modifying the existing model with the inclusion of additional variables to show the relationship between the various determinants of customer satisfaction of GSM network operators in Nigeria.
- 4. The study has enriched contemporary literature on service marketing by providing local empirical evidence concerning the notion of price fairness and service recovery as a critical factors for sustaining customer satisfaction in the Nigerian telecommunication industry by combining two variables (price fairness and service recovery) in a single study.

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APPENDIX A

TELECOMMUNICATIONS INDUSTRY

CUSTOMER SATISFACTION SURVEY

General Introduction

I am a Ph.D student from the Department of Business Administration, University of Lagos conducting a survey on telecommunication provision in Nigeria. I solicit your support in filing the questionnaire and assure you of the confidentiality of the information provided.

In your own opinion, using the scale of 5-1; Strongly Agree (SA), Agree (A), Not Sure (NS), Disagree (D), and Strongly Disagree (SD), please tick one of the boxes for each question.

START OF SURVEY

SECTION A: PRICE FAIRNESS DIMENSIONS

	Affordability	SA	A	NS	D	SD
1	High call rate makes me switch my network					
2	Price plays a role in my choice of a network					
3	My financial situation oftentimes informs my judgement of price fairness.					
4	My income status affects my rate of recharging phone.					
	Objectivity					
1	Service providers consider cost of operation when setting price					
2	Subscriber interest is taken into consideration in setting price					
3	All necessary factors (costs, subscribers' interest) are considered when setting price					
4	Mobile Network Providers are considered objective enough in their price determination.					
	Flexibility					
1	My service providers provide a variety of pricing plans better than other service providers					
2	Pricing plans of the service providers influences my switching over					
3	I can change to any of the network easily					
	Acceptability					
1	My service provider offer the best possible pricing plan that meets my need.					

2	The pricing plan in the Nigeria mobile telecommunication seem attractive		
3	The service provider's price inform my acceptance of the network		
	Superiority		
1	I compare the provider's price before recharging		
2	My service provider offers superior pricing options compared to other service providers.		
3	I get the best satisfaction when I am sure other providers' prices are not less than what I am paying		
4	Pricing plan provides value for money		
	Reasonability		
1	The price charged by my service provider is reasonable		
2	The reasonable price offered y my service provider is good enough to convince other of my choice provider(s)		
3	Promotional activities by my service provider are convincing enough		

In your own opinion, using the scale of 5-1; Strongly Agree (SA), Agree (A), Not Sure (NS), Disagree (D), and Strongly Disagree (SD), please tick one of the boxes for each question.

SECTION B: SERVICE RECOVERY DIMENSIONS

	Compensation	SA	A	NS	D	SD
1	My service provider adequately compensate me financially for service failure					
2	Compensation provided by my service provider is often fair enough					
3	I am satisfied with the given compensation provided by my service provider					
	Communication					
1	Communication by my service provider is clear					
2	Questions were asked to clarify all the type of service failure involved					
3	service centre is usually polite in discussing service failure					
4	service centre usually show understanding					

	Empowerment						
1	Contacted service staff are trained to offer solution						
2	The service centres are well equipped to solve problem						
	Timely feedback						
1	The service provider gives instant feedback on customer complain						
2	My service provider company does not delay to contact customer						
3	Problem is solved within a reasonable time						
	Tangibles						
1	Service provider used appropriate medium to reach complaint customer						
2	The medium used for communication appear professional in nature.						
	Apologies						
1	My Service providers often tender apology for service failure						
2	My Service providers are quick to accept responsibility for service failure						
	Explanation						
1	My Service provider gives explanation for poor service failure						
2	Service provider does not care to explain why of service failure						

SECTION C: CUSTOMER SATISFACTION: In your own opinion, using the scale of 5-1; Strongly Agree (SA), Agree (A), Not Sure (NS), Disagree (D), and Strongly Disagree (SD), please tick one of the boxes for each question.

S/N		SA	A	NS	D	SD
1.	I am satisfied with the pricing of my network service provider					
2.	The ease to change from one service plan in Nigerian mobile telecommunication to other gives me satisfaction					
3.	My service provider in the Nigerian mobile telecommunication provides the best price option that gives me satisfaction					
4.	Comparing the pricing option of my service provider in terms of affordability with others gives me satisfaction					
5.	The reasonability of the pricing option of my service provider gives me satisfaction					
6.	I am satisfied when I can afford the price of my network provider?					
7.	I am satisfied when price is objectively set					
8.	I derive satisfaction moving to another service provider					

SECTION D: socio demographic variables

1.	What is your sex (a) Male [] (b) Female []
2.	Age (a) Below 21[] (b) 21-30[] (c) 31-40[] (d) 41-50[] (e) 51 and above []
3.	Marital status (a) Single [] (b) Married [] (c) Divorced [] (e) Widowed []
4.	Highest educational qualification (a) Primary [] (b) Secondary [] (c) NCE/ND [] (d) B.Sc []
	(e) Other, please specify
5.	Occupational status (a) Employed (b) Self-employed (c) Job seeker (d) Others, please
	specify
6.	On the average, which of the following falls within the range of your allowance/income? (a)
	Below N15,000 (b)N15,001-N50,000 (c) N50,001-N100,000 (d) N100,001-
	N200,000 (e) N200,001-N300,000 (f) Above N300,000
7.	How many mobile Networks do you have? (a) One (b) Two (c) Three
	(d) More than three
8.	Have you experience service failure before? (a) Yes (b) No

(b) No

9. If it is yes to question 15, did you complain to the service provider? (a) Yes

APPENDIX B

SPSS OUTPUT

Frequency Table

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	324	53.1	53.1	53.1
	Female	286	46.9	46.9	100.0
	Total	610	100.0	100.0	

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below 21	54	8.9	8.9	8.9
	21- 30	264	43.3	43.3	52.1
	31- 40	188	30.8	30.8	83.0
	41- 50	66	10.8	10.8	93.8
	Above 50	38	6.2	6.2	100.0
	Total	610	100.0	100.0	

Marital Status

maritar otatao					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	287	47.0	47.0	47.0
	Married	305	50.0	50.0	97.0
	Others	18	3.0	3.0	100.0
	Total	610	100.0	100.0	

Highest Educational Qualification

	mg.root = adoutional qualification						
		Frequency	Percent	Valid Percent	Cumulative Percent		
	_	riequency	reiteilt	valiu Fercerit	reiceili		
Valid	Below SSCE	44	7.2	7.2	7.2		
	SSCE	107	17.5	17.5	24.8		
	ND/NCE	58	9.5	9.5	34.3		
	Bachelors Degree	230	37.7	37.7	72.0		
	Master Degree	136	22.3	22.3	94.3		
	Doctoral Degree	35	5.7	5.7	100.0		
	Total	610	100.0	100.0			

Occupational Status

	o o o u patro na i o tatao						
					Cumulative		
		Frequency	Percent	Valid Percent	Percent		
Valid	Employed	381	62.5	62.5	62.5		
	Self-employed	138	22.6	22.6	85.1		
	Job seeker	40	6.6	6.6	91.6		
	Others	51	8.4	8.4	100.0		
	Total	610	100.0	100.0			

Average Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below N50,000	123	20.2	20.2	20.2
	N50,001-N100,000	219	35.9	35.9	56.1
	N100,001-N150,000	82	13.4	13.4	69.5
	N150,001-N200,000	46	7.5	7.5	77.0
	N200,001-N250,000	50	8.2	8.2	85.2
	Above N250,000	90	14.8	14.8	100.0
	Total	610	100.0	100.0	

Number of networks

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	One SIM	124	20.3	20.3	20.3
	2 SIMs	328	53.8	53.8	74.1
	3 SIMs	133	21.8	21.8	95.9
	More than 3	25	4.1	4.1	100.0
	Total	610	100.0	100.0	

Service Failure Experience

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Yes	503	82.5	82.5	82.5
	No	107	17.5	17.5	100.0
	Total	610	100.0	100.0	

Service Failure Complaint

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	440	72.1	72.1	72.1
	No	170	27.9	27.9	100.0
	Total	610	100.0	100.0	

High call rate makes me switch my network

	riigii can rate makes me switch my network					
					Cumulative	
		Frequency	Percent	Valid Percent	Percent	
Valid	Strongly Disagree	95	15.6	15.6	15.6	
	Disagree	122	20.0	20.0	35.6	
	Agree	167	27.4	27.4	63.0	
	Strongly Agree	226	37.0	37.0	100.0	
	Total	610	100.0	100.0		

Price plays a role in my choice of a network

	- inco pulyo a roto in my onoto or a notino in					
					Cumulative	
		Frequency	Percent	Valid Percent	Percent	
Valid	Strongly Disagree	37	6.1	6.1	6.1	
	Disagree	88	14.4	14.4	20.5	
	Agree	217	35.6	35.6	56.1	
	Strongly Agree	268	43.9	43.9	100.0	
	Total	610	100.0	100.0		

My financial situation oftentimes informs my judgement of price fairness.

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	44	7.2	7.2	7.2
	Disagree	117	19.2	19.2	26.4
	Agree	258	42.3	42.3	68.7
	Strongly Agree	191	31.3	31.3	100.0
	Total	610	100.0	100.0	

My income status affects my rate of recharging phone.

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	53	8.7	8.7	8.7
	Disagree	100	16.4	16.4	25.1
	Agree	223	36.6	36.6	61.6
	Strongly Agree	234	38.4	38.4	100.0
	Total	610	100.0	100.0	

Service providers may consider cost of operation when setting price

-	Common promuero	1		ion mion commy p	
					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	23	3.8	3.8	3.8
	Disagree	67	11.0	11.0	14.8
	Agree	235	38.5	38.5	53.3
	Strongly Agree	285	46.7	46.7	100.0
	Total	610	100.0	100.0	

Subscriber interest may be considered in setting price

		-			Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	28	4.6	4.6	4.6
	Disagree	125	20.5	20.5	25.1
	Agree	291	47.7	47.7	72.8
	Strongly Agree	166	27.2	27.2	100.0
	Total	610	100.0	100.0	

All necessary factors (costs, subscribers' interest) may be considered when setting price

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	22	3.6	3.6	3.6
	Disagree	105	17.2	17.2	20.8
	Agree	286	46.9	46.9	67.7
	Strongly Agree	197	32.3	32.3	100.0
	Total	610	100.0	100.0	

My service providers may be objective enough in their price determination.

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	50	8.2	8.2	8.2
	Disagree	150	24.6	24.6	32.8
	Agree	299	49.0	49.0	81.8
	Strongly Agree	111	18.2	18.2	100.0
	Total	610	100.0	100.0	

My service providers provide a variety of pricing plans better than other service providers

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	48	7.9	7.9	7.9
	Disagree	171	28.0	28.0	35.9
	Agree	240	39.3	39.3	75.2
	Strongly Agree	151	24.8	24.8	100.0
	Total	610	100.0	100.0	

Pricing plans of the service providers influences my switching over

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	59	9.7	9.7	9.7
	Disagree	140	23.0	23.0	32.6
	Agree	254	41.6	41.6	74.3
	Strongly Agree	157	25.7	25.7	100.0
	Total	610	100.0	100.0	

I can change to any of the network easily

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	52	8.5	8.5	8.5
	Disagree	132	21.6	21.6	30.2
	Agree	238	39.0	39.0	69.2
	Strongly Agree	188	30.8	30.8	100.0
	Total	610	100.0	100.0	

My service provider offer the best possible pricing plan that meets my need.

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	61	10.0	10.0	10.0
	Disagree	171	28.0	28.0	38.0
	Agree	232	38.0	38.0	76.1
	Strongly Agree	146	23.9	23.9	100.0
	Total	610	100.0	100.0	

The pricing plan in the Nigeria mobile telecommunication seem attractive

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	136	22.3	22.3	22.3
	Disagree	226	37.0	37.0	59.3
	Agree	186	30.5	30.5	89.8
	Strongly Agree	62	10.2	10.2	100.0
	Total	610	100.0	100.0	

The service provider's price inform my acceptance of the network

	The service provider a price inform my decoptance of the network					
					Cumulative	
		Frequency	Percent	Valid Percent	Percent	
Valid	Strongly Disagree	64	10.5	10.5	10.5	
	Disagree	175	28.7	28.7	39.2	
	Agree	251	41.1	41.1	80.3	
	Strongly Agree	120	19.7	19.7	100.0	
	Total	610	100.0	100.0		

I compare the provider's price before recharging

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	113	18.5	18.5	18.5
	Disagree	193	31.6	31.6	50.2
	Agree	197	32.3	32.3	82.5
	Strongly Agree	107	17.5	17.5	100.0
	Total	610	100.0	100.0	

My service provider offers superior pricing options compared to other service providers.

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	56	9.2	9.2	9.2
	Disagree	205	33.6	33.6	42.8
	Agree	216	35.4	35.4	78.2
	Strongly Agree	133	21.8	21.8	100.0
	Total	610	100.0	100.0	

I get the best satisfaction when I am sure other providers' prices are not less than what I am paying

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	43	7.0	7.0	7.0
	Disagree	171	28.0	28.0	35.1
	Agree	266	43.6	43.6	78.7
	Strongly Agree	130	21.3	21.3	100.0
	Total	610	100.0	100.0	

Pricing plan provides value for money

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	46	7.5	7.5	7.5
	Disagree	155	25.4	25.4	33.0
	Agree	255	41.8	41.8	74.8
	Strongly Agree	154	25.2	25.2	100.0
	Total	610	100.0	100.0	

The price charged by my service provider is reasonable

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	37	6.1	6.1	6.1
	Disagree	186	30.5	30.5	36.6
	Agree	251	41.1	41.1	77.7
	Strongly Agree	136	22.3	22.3	100.0
	Total	610	100.0	100.0	

The reasonable price offered by my service provider is good enough to convince other of my choice provider(s)

	5.101.00 p. 6.1.00.(c)					
					Cumulative	
		Frequency	Percent	Valid Percent	Percent	
Valid	Strongly Disagree	33	5.4	5.4	5.4	
	Disagree	210	34.4	34.4	39.8	
	Agree	263	43.1	43.1	83.0	
	Strongly Agree	104	17.0	17.0	100.0	
	Total	610	100.0	100.0		

Promotional activities by my service provider are convincing enough

_	. remedend dearth as by my service provider are commonly enough.				
					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	63	10.3	10.3	10.3
	Disagree	199	32.6	32.6	43.0
	Agree	248	40.7	40.7	83.6
	Strongly Agree	100	16.4	16.4	100.0
	Total	610	100.0	100.0	

My service provider adequately compensate me financially for service failure

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	262	43.0	43.0	43.0
	Disagree	199	32.6	32.6	75.6
	Agree	74	12.1	12.1	87.7
	Strongly Agree	75	12.3	12.3	100.0
	Total	610	100.0	100.0	

Compensation provided by my service provider is often fair enough

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	186	30.5	30.5	30.5
	Disagree	221	36.2	36.2	66.7
	Agree	154	25.2	25.2	92.0
	Strongly Agree	49	8.0	8.0	100.0
	Total	610	100.0	100.0	

I am satisfied with the given compensation provided by my service provider

_					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	180	29.5	29.5	29.5
	Disagree	243	39.8	39.8	69.3
	Agree	121	19.8	19.8	89.2
	Strongly Agree	66	10.8	10.8	100.0
	Total	610	100.0	100.0	

Communication by my service provider is clear

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	38	6.2	6.2	6.2
	Disagree	144	23.6	23.6	29.8
	Agree	291	47.7	47.7	77.5
	Strongly Agree	137	22.5	22.5	100.0
	Total	610	100.0	100.0	

Questions were asked to clarify all the type of service failure involved

		•			Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	89	14.6	14.6	14.6
	Disagree	241	39.5	39.5	54.1
	Agree	212	34.8	34.8	88.9
	Strongly Agree	68	11.1	11.1	100.0
	Total	610	100.0	100.0	

Service centre is usually polite in discussing service failure

_					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	36	5.9	5.9	5.9
	Disagree	161	26.4	26.4	32.3
	Agree	310	50.8	50.8	83.1
	Strongly Agree	103	16.9	16.9	100.0
	Total	610	100.0	100.0	

Service centre usually show understanding

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	49	8.0	8.0	8.0
	Disagree	161	26.4	26.4	34.4
	Agree	277	45.4	45.4	79.8
	Strongly Agree	123	20.2	20.2	100.0
	Total	610	100.0	100.0	

Contacted service staff are trained to offer solution

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	32	5.2	5.2	5.2
	Disagree	124	20.3	20.3	25.6
	Agree	295	48.4	48.4	73.9
	Strongly Agree	159	26.1	26.1	100.0
	Total	610	100.0	100.0	

The service centres are well equipped to solve problem

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	38	6.2	6.2	6.2
	Disagree	167	27.4	27.4	33.6
	Agree	298	48.9	48.9	82.5
	Strongly Agree	107	17.5	17.5	100.0
	Total	610	100.0	100.0	

The service provider gives instant feedback on customer complaint

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	48	7.9	7.9	7.9
	Disagree	204	33.4	33.4	41.3
	Agree	248	40.7	40.7	82.0
	Strongly Agree	110	18.0	18.0	100.0
	Total	610	100.0	100.0	

My service provider company does not delay to contact customer

	my corrido providor company accomer aciay to contact accomer					
					Cumulative	
		Frequency	Percent	Valid Percent	Percent	
Valid	Strongly Disagree	70	11.5	11.5	11.5	
	Disagree	246	40.3	40.3	51.8	
	Agree	196	32.1	32.1	83.9	
	Strongly Agree	98	16.1	16.1	100.0	
	Total	610	100.0	100.0		

Problem is solved within a reasonable time

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	60	9.8	9.8	9.8
	Disagree	213	34.9	34.9	44.8
	Agree	239	39.2	39.2	83.9
	Strongly Agree	98	16.1	16.1	100.0
	Total	610	100.0	100.0	

Service provider used appropriate medium to reach complaint customer

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	44	7.2	7.2	7.2
	Disagree	181	29.7	29.7	36.9
	Agree	276	45.2	45.2	82.1
	Strongly Agree	109	17.9	17.9	100.0
	Total	610	100.0	100.0	

The medium used for communication appear professional in nature.

	The median deed for communication appear professional in nature.					
					Cumulative	
		Frequency	Percent	Valid Percent	Percent	
Valid	Strongly Disagree	37	6.1	6.1	6.1	
	Disagree	155	25.4	25.4	31.5	
	Agree	331	54.3	54.3	85.7	
	Strongly Agree	87	14.3	14.3	100.0	
	Total	610	100.0	100.0		

My Service providers often tender apology for service failure

	my dervice providers often tender applicacy for service landre					
					Cumulative	
		Frequency	Percent	Valid Percent	Percent	
Valid	Strongly Disagree	57	9.3	9.3	9.3	
	Disagree	134	22.0	22.0	31.3	
	Agree	310	50.8	50.8	82.1	
	Strongly Agree	109	17.9	17.9	100.0	
	Total	610	100.0	100.0		

My Service providers are quick to accept responsibility for service failure

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	52	8.5	8.5	8.5
	Disagree	185	30.3	30.3	38.9
	Agree	246	40.3	40.3	79.2
	Strongly Agree	127	20.8	20.8	100.0
	Total	610	100.0	100.0	

My Service provider gives explanation for poor service failure

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	61	10.0	10.0	10.0
	Disagree	203	33.3	33.3	43.3
	Agree	255	41.8	41.8	85.1
	Strongly Agree	91	14.9	14.9	100.0
	Total	610	100.0	100.0	

I am impress by the explanation given by my service provider for service failure

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	56	9.2	9.2	9.2
	Disagree	275	45.1	45.1	54.3
	Agree	192	31.5	31.5	85.7
	Strongly Agree	87	14.3	14.3	100.0
	Total	610	100.0	100.0	

I am satisfied with the pricing of my network service provider

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	59	9.7	9.7	9.7
	Disagree	225	36.9	36.9	46.6
	Agree	219	35.9	35.9	82.5
	Strongly Agree	107	17.5	17.5	100.0
	Total	610	100.0	100.0	

The ease to change from one service plan in Nigeria mobile telecommunication to other gives me satisfaction

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	34	5.6	5.6	5.6
	Disagree	144	23.6	23.6	29.2
	Agree	292	47.9	47.9	77.0
	Strongly Agree	140	23.0	23.0	100.0
	Total	610	100.0	100.0	

My service provider in the Nigeria mobile telecommunication provides the best price option that gives me satisfaction

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	44	7.2	7.2	7.2
	Disagree	252	41.3	41.3	48.5
	Agree	221	36.2	36.2	84.8
	Strongly Agree	93	15.2	15.2	100.0
	Total	610	100.0	100.0	

Comparing the pricing option of my service provider in terms of affordability with others gives me satisfaction

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	27	4.4	4.4	4.4
	Disagree	212	34.8	34.8	39.2
	Agree	271	44.4	44.4	83.6
	Strongly Agree	100	16.4	16.4	100.0
	Total	610	100.0	100.0	

The reasonability of the pricing option of my service provider gives me satisfaction

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	40	6.6	6.6	6.6
	Disagree	198	32.5	32.5	39.0
	Agree	273	44.8	44.8	83.8
	Strongly Agree	99	16.2	16.2	100.0
	Total	610	100.0	100.0	

I am satisfied when I can afford the price of my network provider?

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	27	4.4	4.4	4.4
	Disagree	113	18.5	18.5	23.0
	Agree	343	56.2	56.2	79.2
	Strongly Agree	127	20.8	20.8	100.0
	Total	610	100.0	100.0	

I am satisfied when price is objectively set

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	19	3.1	3.1	3.1
	Disagree	103	16.9	16.9	20.0
	Agree	328	53.8	53.8	73.8
	Strongly Agree	160	26.2	26.2	100.0
	Total	610	100.0	100.0	

I am satisfied when my complaint are attended to

	ram canonica military complaint are attenued to										
					Cumulative						
		Frequency	Percent	Valid Percent	Percent						
Valid	Strongly Disagree	23	3.8	3.8	3.8						
	Disagree	65	10.7	10.7	14.4						
	Agree	319	52.3	52.3	66.7						
	Strongly Agree	203	33.3	33.3	100.0						
	Total	610	100.0	100.0							

I am satisfied when failed service is restored

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	25	4.1	4.1	4.1
	Disagree	94	15.4	15.4	19.5
	Agree	332	54.4	54.4	73.9
	Strongly Agree	159	26.1	26.1	100.0
	Total	610	100.0	100.0	

I am satisfied when service failed the second time and is restored

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Disagree	64	10.5	10.5	10.5
	Disagree	185	30.3	30.3	40.8
	Agree	251	41.1	41.1	82.0
	Strongly Agree	110	18.0	18.0	100.0
	Total	610	100.0	100.0	

DESCRIPTIVES VARIABLES=AFF1 AFF2 AFF3 AFF4 OBJ1 OBJ2 OBJ3 OBJ4 FLX1 FLX2 FLX3 ACC1 ACC2 ACC3 SUP1

SUP2 SUP3 SUP4 RSN1 RSN2 RSN3 COMP1 COMP2 COMP3 COM1 COM2 COM3 COM4 EMP1 EMP2 FDB1 FDB2 FDB3 TAN1

TAN2 APO1 APO2 EXP1 EXP2 SAT1 SAT2 SAT3 SAT4 SAT5 SAT6 SAT7 SAT8 SAT9 SAT10 /STATISTICS=MEAN STDDEV MIN MAX.

Descriptives

Descriptive Statistics

Descriptive Statistics										
	N	Minimum	Maximum	Mean	Std. Deviation					
High call rate makes me switch	0.40	,		0.00	4.004					
my network	610	1	4	2.86	1.084					
Price plays a role in my choice	0.40	4		0.47	200					
of a network	610	1	4	3.17	.893					
My financial situation oftentimes										
informs my judgement of price	610	1	4	2.98	.891					
fairness.										
My income status affects my	610	1	4	3.05	.946					
rate of recharging phone.	610	ı	4	3.05	.940					
Service providers may consider										
cost of operation when setting	610	1	4	3.28	.806					
price										
Subscriber interest may be	610	1	4	2.98	.813					
considered in setting price	010	'	4	2.90	.013					
All necessary factors (costs,										
subscribers' interest) may be	610	1	4	3.08	.796					
considered when setting price										
My service providers may be										
objective enough in their price	610	1	4	2.77	.840					
determination.										
My service providers provide a										
variety of pricing plans better	610	1	4	2.81	.899					
than other service providers										
Pricing plans of the service										
providers influences my	610	1	4	2.83	.921					
switching over										
I can change to any of the	610	1	4	2.92	.928					
network easily	010	·	·	2.02	.020					
My service provider offer the										
best possible pricing plan that	610	1	4	2.76	.929					
meets my need.										
The pricing plan in the Nigeria										
mobile telecommunication	610	1	4	2.29	.924					
seem attractive										

1	1	1	I	1	
The service provider's price					
inform my acceptance of the	610	1	4	2.70	.903
network					
I compare the provider's price	610	1	4	2.49	.986
before recharging	010		7	2.10	.000
My service provider offers					
superior pricing options	610	1	4	2.70	.912
compared to other service	010	1	_	2.10	.012
providers.					
I get the best satisfaction when					
I am sure other providers'	610	1	4	2.79	.856
prices are not less than what I	010	ı	4	2.19	.630
am paying					
Pricing plan provides value for	610	1	4	2.85	.887
money	010	ı	4	2.05	.007
The price charged by my	610	1	4	2.80	.855
service provider is reasonable	010	Į	4	2.00	.000
The reasonable price offered by					
my service provider is good	610	1	4	2.72	.808
enough to convince other of my	010	Į	4	2.12	.000
choice provider(s)					
Promotional activities by my					
service provider are convincing	610	1	4	2.63	.877
enough					
My service provider adequately					
compensate me financially for	610	1	4	1.94	1.020
service failure					
Compensation provided by my					
service provider is often fair	610	1	4	2.11	.932
enough					
I am satisfied with the given					
compensation provided by my	610	1	4	2.12	.956
service provider					
Communication by my service	610	1	4	2.86	.832
provider is clear	010	ı	7	2.00	.032
Questions were asked to clarify					
all the type of service failure	610	1	4	2.42	.872
involved					
Service centre is usually polite	610	1	4	2.79	.790
in discussing service failure	010	'	"	2.13	.130

	1	1	1		
Service centre usually show	610	1	4	2.78	.859
understanding	010	•	·	2.70	.000
Contacted service staff are	610	1	4	2.95	.820
trained to offer solution	0.0	•	·		.020
The service centres are well	610	1	4	2.78	.806
equipped to solve problem	010	•	·	2.70	.000
The service provider gives					
instant feedback on customer	610	1	4	2.69	.857
complaint					
My service provider company					
does not delay to contact	610	1	4	2.53	.895
customer					
Problem is solved within a	610	1	4	2.61	.870
reasonable time	010	'	7	2.01	.070
Service provider used					
appropriate medium to reach	610	1	4	2.74	.834
complaint customer					
The medium used for					
communication appear	610	1	4	2.77	.766
professional in nature.					
My Service providers often					
tender apology for service	610	1	4	2.77	.849
failure					
My Service providers are quick					
to accept responsibility for	610	1	4	2.73	.885
service failure					
My Service provider gives					
explanation for poor service	610	1	4	2.62	.858
failure					
I am impress by the explanation					
given by my service provider for	610	1	4	2.51	.849
service failure					
I am satisfied with the pricing of	640	4	4	0.64	905
my network service provider	610	1	4	2.61	.885
The ease to change from one					
service plan in Nigeria mobile	640	4	4	2.00	900
telecommunication to other	610	1	4	2.88	.822
gives me satisfaction					

My service provider in the					
Nigeria mobile					
telecommunication provides the	610	1	4	2.60	.831
best price option that gives me					
satisfaction					
Comparing the pricing option of					
my service provider in terms of	610	1	4	2.73	.785
affordability with others gives	610	1	4	2.13	.785
me satisfaction					
The reasonability of the pricing					
option of my service provider	610	1	4	2.71	.815
gives me satisfaction					
I am satisfied when I can afford					
the price of my network	610	1	4	2.93	.753
provider?					
I am satisfied when price is	610	1	4	3.03	.745
objectively set	010	ļ	4	3.03	.745
I am satisfied when my	610	1	4	3.15	.754
complaint are attended to	010	Į.	4	3.13	.734
I am satisfied when failed	610	1	4	3.02	.761
service is restored	010	Į.	4	3.02	.701
I am satisfied when service					
failed the second time and is	610	1	4	2.67	.891
restored					
Valid N (listwise)	610				

T-TEST

/TESTVAL=2.5

/MISSING=ANALYSIS

/VARIABLES=VAR00003 VAR00004 VAR00005 VAR00006 VAR00007 VAR00008 VAR00017 VAR00009 VAR00010

VAR00011 VAR00012 VAR00013 VAR00014 VAR00015 VAR00018 VAR00016 /CRITERIA=CI(.95).

T-Test

One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Affordability	610	3.0139	.65309	.02644
Objectivity	610	3.0270	.53824	.02179
Flexibility	610	2.8552	.61155	.02476
Acceptability	610	2.5814	.65341	.02646
Superiority	610	2.7066	.59050	.02391
Reasonabilty	610	2.7153	.68182	.02761
Perceived Price Fairness	610	2.8166	.41429	.01677
Compensation	610	2.0552	.83224	.03370
Communication	610	2.7131	.58237	.02358
Empowerment	610	2.8648	.71069	.02877
Total Feedback	610	2.6104	.72684	.02943
Tangibility	610	2.7525	.69140	.02799
Apology	610	2.7533	.73737	.02986
Explanation	610	2.5623	.74238	.03006
Service Recovery	610	2.6159	.51918	.02102
Customer Satisfaction	610	2.8333	.44396	.01798

One-Sample Test

			Te	st Value = 2.5		
				Mean	95% Confidence	
	t	df	Sig. (2-tailed)	Difference	Lower	Upper
Affordability	19.436	609	.000	.51393	.4620	.5659
Objectivity	24.185	609	.000	.52705	.4843	.5698
Flexibility	14.345	609	.000	.35519	.3066	.4038
Acceptability	3.078	609	.002	.08142	.0295	.1334
Superiority	8.640	609	.000	.20656	.1596	.2535
Reasonabilty	7.799	609	.000	.21530	.1611	.2695
Perceived Price Fairness	18.875	609	.000	.31661	.2837	.3496
Compensation	-13.200	609	.000	44481	5110	3786
Communication	9.038	609	.000	.21311	.1668	.2594
Empowerment	12.676	609	.000	.36475	.3082	.4213
Total Feedback	3.751	609	.000	.11038	.0526	.1682
Tangibility	9.018	609	.000	.25246	.1975	.3074
Apology	8.484	609	.000	.25328	.1946	.3119
Explanation	2.073	609	.039	.06230	.0033	.1213
Service Recovery	5.515	609	.000	.11593	.0747	.1572
Customer Satisfaction	18.541	609	.000	.33328	.2980	.3686

Correlation Matrix showing the relationships between constructs

Correlations

	AFF	OBJ	FLE	ACC	SUP	REA	PER	СОМ	СОМ	EMP	TOT	TAN	APO	EXP	SER	CUS
AFF	1	.131**	.417**	.235**	.389**	.131**	.584**	.104*	.121**	.105**	.108**	.030	.114**	.094*	.133**	.083*
OBJ		1	.219**	.183**	.186**	.208**	.455**	.073	.195**	.168**	.109**	.190**	.138**	.173**	.202**	.227**
FLE			1	.420**	.498**	.403**	.742**	.228**	.248**	.234**	.195**	.191**	.226**	.218**	.303**	.336**
ACC				1	.471**	.505**	.718**	.401**	.372**	.264**	.353**	.268**	.253**	.319**	.441**	.331**
SUP					1	.514**	.768**	.337**	.383**	.304**	.306**	.239**	.219**	.281**	.406**	.376**
REA						1	.708**	.389**	.415**	.322**	.341**	.308**	.284**	.355**	.475**	.441**
PER							1	.391**	.438**	.352**	.359**	.308**	.312**	.364**	.497**	.451**
СОМ								1	.460**	.229**	.395**	.310**	.336**	.409**	.637**	.290**
СОМ									1	.465**	.559**	.533**	.472**	.486**	.765**	.442**
EMP										1	.492**	.481**	.367**	.435**	.676**	.354**
TOT											1	.557**	.509**	.532**	.794**	.362**
TAN												1	.450**	.432**	.732**	.336**
APO													1	.528**	.723**	.367**
EXP														1	.757**	.387**
SER															1	.496**
CUS																1

^{**.} Correlation is significant at the 0.01 level (2-tailed).

HYPOTHESIS 1

		Mo	odel Summa	ry			
Model	R	R Square	А	djusted	R Square	Std. Error of	the Estimate
1	.451 ^a		.203		.202		.39656
a. Predictors: (C	onstant), Perceived	Price Fairness					
			ANOVA ^a				
Model	Sur	n of Squares	df	Ме	an Square	F	Sig.
1 Regre	ession	24.421	1		24.421	155.292	.000 ^b
Resid	dual	95.613	608		.157		
Total		120.034	609				
	ariable: Customer Sa onstant), Perceived						
		C	Coefficients ^a				
		Unstandar	dized Coeffic	ients	Standardize Coefficients		
Model		В	Std. E	rror	Beta	t	Sig.
1 (Const	ant)	1.4	72	.110		13.32	.000
Percei	ved Price Fairness	.4	83	.039		451 12.46	.000
a. Dependent Va	ariable: Customer Sa	tisfaction					

^{*.} Correlation is significant at the 0.05 level (2-tailed).

HYPOTHESIS 2

		N	lodel Summ	ary					
Model	R	R Square)	Adjusted R Square Std. Error of th		the Estimate			
1	.496	а	.246	.245		.3858			
a. Predictors: (C	Constant), Service R	ecovery							
	ANOVA ^a								
Model	Su	ım of Squares	df		Mean Square	F	Sig.		
1 Regr	ression	29.541		1	29.541	198.474	.000 ^b		
Resi	dual	90.494	60	8	.149				
Total	l i	120.034	60	9					
	ariable: Customer S Constant), Service R			-	-				
			Coefficients	a					
		Unstandardized Coefficients		Standardized Coefficients					
Model		В	Std. Erro	r	Beta	t	Sig.		
1 (Cons	stant)	1.724		.080		21.463	.000		
Servi	ce Recovery	.424		.030	.49	6 14.088	.000		
a. Dependent V	ariable: Customer S	atisfaction			<u> </u>				

HYPOTHESIS 3

		N	lodel Sun	nmary				
Model	R	R Square	R Square Adju		sted R Square	Std. Error of the Estimate		
1	.497	⁷ a	.247		.245		.35991	
a. Predictors: (Co	nstant), Service F	Recovery						
			ANOV	A ^a				
Model	S	Sum of Squares			Mean Square	F	Sig.	
1 Regres	ssion	25.769		1	25.769	198.935	.000	
Residu	al	78.757		608	.130			
Total		104.525		609				
a. Dependent Variable: Perceived Price Fairness b. Predictors: (Constant), Service Recovery								
			Coefficie	ents ^a				
		Unstandardized Coefficients		Standardized Coefficients				
Model		В	Std. E	Error	Beta	t	Sig.	
1 (Consta	nt)	1.780		.075		23.762	.000	
Service	Recovery	.396		.028	.49	7 14.104	.000	
a. Dependent Var	iable: Perceived	Price Fairness	-		-	-		

HYPOTHESIS 4

Model Summary							
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate			
1	.549 ^a	.302	.299	.37159			

a. Predictors: (Constant), Service Recovery, Perceived Price Fairness

$\textbf{ANOVA}^{\textbf{a}}$

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	36.218	2	18.109	131.148	.000 ^b
1	Residual	83.816	607	.138		
	Total	120.034	609			

a. Dependent Variable: Customer Satisfaction

b. Predictors: (Constant), Service Recovery, Perceived Price Fairness

Coefficients^a

Model		Unstandardize	ed Coefficients	Standardized Coefficients	t	Sig.
		В	Std. Error	Beta		
	(Constant)	1.205	.107		11.220	.000
1	Perceived Price Fairness	.291	.042	.272	6.954	.000
	Service Recovery	.309	.033	.361	9.243	.000

a. Dependent Variable: Customer Satisfaction