

The Influence of Service Quality on Customers Satisfaction and Loyalty among Youngsters for the Services of Reliance Jio at Gujarat.

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Abstract

This paper deals with the measurement of the impacts of reliability, responsiveness, assurance, empathy, and tangible aspects on Jio customers satisfaction level at Vadodara city of Gujarat, the SERVQUAL model was used for the measurement. The primary objective of the paper was to discover the service quality gap by measuring customers' perceptions and customers' expectations of telecommunication service quality from the customer's viewpoint. The study was conducted through a structured questionnaire based on the SERVQUAL model. Primary data was collected from Sample of 200 final year students through sending questionnaires in the goggle form. The reliability was 0.871. One way-ANOVA test was conducted to test the association between the service quality of the Jio and levels of customer satisfaction of Jio. The findings of factor analysis loading the factors into two factors, tangibles and reliability are loading into one factor and the remaining dimensions, responsiveness, assurance, and empathy all load into another factor, there is no differentiation among the customers' mind for this three dimensions.

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I. Introduction:

Reliance Jio Infocomm Limited¹ is an associate in Cherishing Indian telecommunication company that is a subsidiary company of Reliance Industries. Company is lead by one in all the foremost fortunate businessperson of the Republic of India, he's Mukesh Bhai Ambani. Corporate headquarter is in the geographical region of Maharashtra, India. Reliance Jio operates on a national LTE network with coverage across all twenty-two telecommunication circles. It doesn't solely offer 2G and 3G services, and instead uses solely phonation LTE to supply voice services on its 4G

network. Jio soft-launched on twenty-seventh Dec 2015 with a beta for partners and staff and become in public out there on fifth September 2016. Inside an awfully short amount of a span, it becomes one in all the biggest mobile network operators in the Republic of India and therefore the third-largest mobile network operator within the world. Jio has over 370.07 million subscribers. In April 2020 American Social Media company Facebook conjointly invested within Reliance Jio by shopping for 9.9% equity shares. nowadays it becomes a debt-free company.

Products and Services offered by Jio:- Reliance Jio Provides various products and services to its customers like - mobile broadband, JioFiber, Jio Phone, Jionetwifi, and Jio Apps, JioSecurity, Jio4GVoice. For better services to its customer, Jio

¹Retrieved from <https://en.wikipedia.org/wiki/Jio> as on 20-03-2020

has ‘Jio Store’ Jio stores offering a wide range of mobile phones tablets and accessories. within a short period of the span, the Jio store becomes India's largest retail chain with a presence in more than 6000 cities in India. According to the Telecom Regulatory Authority of India (TRAI) as on 31st December 2019, Reliance Jio has 1151.44 million wireless subscribers in India.

According to the latest report of the Telecom Regulatory Authority of India (TRAI) which was published on 25th February 2020, Jio is a market leader in a telecommunication service provider with 32.14% market share. Top 4 companies data are as follow:

Table 1. Access Service Provider-wise Share in term of wireless Subscribers

Sr. No.	Name of the Company	Subscribers	Market Share
1	Jio	370.07	32.14%
2	Vodafone Idea	332.65	28.89%
3	Airtel	327.35	28.43%
4	BSNL	121.47	10.55%
Pvt. : 89.45%		PSU: 10.55%	

(Source: TRAI Report published on 25/02/2020)

From the table we can interpret that reliance Jio is market leader, then after with 28.89% Vodafone Idea is market followers, with 28.43%, Airtel is market challengers and last BSNL has 10.26% of market share.

According to Livemint Report which was published on 17th January 2020, “The Reliance Jio company becomes a market leader by adding 5.6 million mobile subscribers in November and replacing Vodafone Idea Ltd as India’s largest mobile services provider by subscribers. Jio is the only company in India where all its subscribers base comprises entirely of 4G subscribers only.”²

Since Jio is one of the fastest-growing companies in India, it becomes important to understand the level of satisfaction among the subscribers about the various services of the company.

II. Research Questions:

Based on the background information observed and discussed above we can try to attempt the following research questions:

1. How do service quality dimensions (SERVEQUAL Model dimensions) affect the

young customers’ satisfaction for telecommunication services of Reliance Jio?

2. Is there any association between service quality (SQ) and customer satisfaction (CS) in the telecommunication services of Jio?

III. Literature Review:

Administration quality is characterized as the level of disparity between clients regularizing desires for administration and their impression of administration execution[1],[2] Shoppers as a rule shop at explicit stores since they like the administration gave and they are guaranteed of certain help benefits; in this way, the exhibition of sales reps animates holding through trust among them and clients, which influences the last's impression of the store or brand[3],[4],[5]. Administration quality can be characterized as addressing the requirements and desires for the client[6].

The SERVQUAL scale could be a principal instrument within the services marketing literature for assessing quality[7],[8]. This instrument has been widely utilized by each manager and teachers to assess client perceptions of service quality for a spread of services e.g banks, Mastercard companies. Supported Parasuraman conceptualization of service quality, the initial SERVQUAL instrument enclosed twenty-two item sections that meant to live (a) client expectations for numerous aspects of service quality and (b) client perceptions of the service they received from the focal service organization[7]. In short, the SERVQUAL instrument is predicated on the gap theory and counsel that a customer’s perception of service quality could be a operate of the distinction between his/her expectations concerning the performance of a general category of service suppliers and his/her assessment of the particular performance of a selected firm among that category [9].

This instrument continues to be widely used in mercantilism studies of consumer satisfaction and consumer preference, despite some argument that different models may even be higher [10]. The stage of performance that the finest service will get to be compelled to supply was conditioned through the expectation of the purchasers. Service quality is judged low once the performance was below expectations [11],[12].

3.1 Conceptual Model:

²Retrieved from <https://www.livemint.com/> as on 1-4-2020

Service quality gap is the difference or disparity between customers' perception of the firms (Reliance Jio in our case) performance and their prior expectations about the firms. Service quality (SQ) is the result of Customer Expectation (CE) vs. customer perception (CP) about the Performance provided by the company.

$$\text{Customer Perception (CP)} - \text{Customer Expectation (CE)} = \text{Service Quality (SQ)}$$

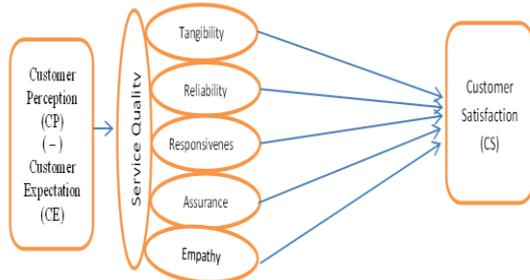


Fig 1 Conceptual Model

Managing service quality is principally based on managing the gap between customer expectation and customer perception. The company aims to minimize the gap between perception and expectation.

Customer satisfaction is an individual feeling of the customer either disappointment or pleasure which consequential of the evaluation of the services of the organization. If customers perceived service quality beyond their expectations of the services results in satisfaction. Satisfied customers lead to a repeated visitation of the stores, repeated product purchases, and positive word-of-mouth to their friends.

Following is the list of hypotheses.

1. H0: Tangibility does not have a substantial influence on customer satisfaction (CS)
2. H0: Reliability does not have a substantial impact on CS
3. H0: Responsiveness does not have a substantial impact on CS
4. H0: Assurance does not have a substantial impact on CS
5. H0: Empathy does not have a substantial impact on CS

IV. Research Methodology:

The primary objective of this paper was to find the service quality gap by measuring customers'

perception and customers' expectations of telecommunication service quality of the Reliance Jio. Some of the ancillary objectives are to inspect the effect of service quality measurements on customer gratification, to know or examine the relationship between service quality dimensions and customer satisfaction for Jio services, etc. A descriptive research design was used. The investigation was conducted over and done with a structured questionnaire based on the SERVQUAL model. Primary data was gathered from a sample of 200 final year students through sending questionnaires in the google form. One of the limitations of this study is the youth of Vadodara is only covered for the preparation of this paper, so the outcome may not be generalized to other cities of Gujarat.

V. Data Analysis:

5.1 Demographic details-

Total sample 200 respondents were taken, out of which 119 were male while 81 are female. The mean age of the sample was 20.5. 85 of the respondents are staying at hostel while remaining of them are Vadodara local students. 120 of them are from masters and 80 of them are from the undergraduate program. The average monthly income of the respondents is 65000. 77% of them are living in a nuclear family structure.

5.2 Reliability-

Cronbach's alpha is done to examine the reliability of the factors. Factors are reliable when Cronbach's alpha is greater than 0.60. Here the Cronbach's alpha is .871 so we can say that the factors are reliable. Dimension wise reliability observed as follows

Table 1.2 Reliability Dimension wise

Sr. No.	Service Quality Dimension	Cronbach's Alpha	
		Customer Expectation	Customer Perception
1	Tangibility	0.89	0.90
2	Reliability	0.84	0.82
3	Responsiveness	0.85	0.83
4	Assurance	0.82	0.82
5	Empathy	0.84	0.85

5.3 Service Quality Gap-

Service quality (SQ) is the result of Customer Expectation (CE) Vs. Customer perception (CP)

about the service performance delivered by the company. It is observed as follow-

Table 1.3 Service Quality Gap Result

Sr. No.	Service Quality Dimension	CE		CP		CP-CE
		Mean	Sd	Mean	Sd	Mean
1	Tangibility	4.66	0.58	4.46	0.68	-0.20
2	Reliability	4.37	0.72	4.24	0.63	-0.13
3	Responsiveness	4.58	0.61	4.32	0.62	-0.26
4	Assurance	4.60	0.57	4.29	0.61	-0.31
5	Empathy	4.56	0.72	4.32	0.61	-0.24

From the analysis, we can interpret that the largest service quality gap was found in Assurance Dimension (Mean difference = -0.31), than after next is Responsiveness dimension with mean difference = -0.26, Empathy dimension with Mean difference = -0.24. on the further side, the minimum mean variation between customer expectation and perception of the facilities of Jio was recognized from the Reliability dimension with a mean difference of -0.13. This shows customers believe in what company staff members or Jio store members are saying.

5.4 Hypothesis Analysis-

The following hypothesis was tested.

Table 1.4 Hypothesis Tested

Sr. No.	Hypothesis	Significance Value	Result
1	Tangibility do not have a substantial influence on customer satisfaction (CS)	0.055	Rejected
2	Reliability does not have a substantial influence on cs	0.071	Rejected
3	Responsiveness does not have a substantial influence on cs	0.051	Rejected
4	Assurance does not have a substantial influence on cs	0.077	Rejected
5	Empathy does not have a substantial influence on cs	0.060	Rejected

From the hypothesis testing, we can interpret that; all the measurements of service quality have a direct impact on client satisfaction.

5.5 Factor Analysis-

To recognize the key service quality measurements affecting customer satisfaction, factor analysis was used.

Table 1.5 Factor Loading

Factor	% of Variance	Factor Loading (Items)
A	43.868	Tangibility and Reliability dimensions of service quality dimension
B	14.935	Responsiveness, Assurance and Empathy dimensions of service quality dimension

From factor analysis, we can divide the factors into two primary factors. Factor A consists of the Tangibility and Reliability dimensions of service quality dimensions. While factor B consists of Responsiveness, Assurance, and Sympathymeasurements of service excellence dimensions.

VI. Discussion & Conclusion:

This paper tries to present the service quality dimensions and their consequence on client satisfaction. To win the largest portion of the market share, the company need to understand their customers' perception of the services and customers expectation before the use. In other words, they need to reduce the service quality gap. The outcome of the result in the case of Jio services service quality gap is highest in the Assurance dimension and lowest in Reliability dimensions. Jio needs to focus its future strategies on improving the trust and assurance of the company and its staff members.

From the hypothesis analysis, we can conclude that company needs to improve not only physical ambiance but also on employees' empathy for influencing satisfaction level of the customers through a strategic emphasis on enlightening in-depth understanding customers inspiration, lifestyle aspects, providing on the job and off the job training to front line employees, performance measurement of the employees need to done through customer's feedback, etc.

As this study examined service quality dimensions in one city only, an additional study needs to be undertaken to examine the same factors and its effect on other regions and with a large sample. The result of this study will help in preparing strategies for higher service quality

administration mainly in the area of assurance, empathy, and responsiveness for the Reliance Jio. A training program must be made for necessary for skill betterment, which leads to serving the customer in the best manner and ultimately become more competitive in the market.

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