

EXPLORING CUSTOMER SATISFACTION AND LOYALTY IN THE TELECOMMUNICATIONS INDUSTRY: A COMPREHENSIVE REVIEW

Nazima Mohammed Farook Malek, Dr. Swati Dave

Research Scholar

S D School of Commerce, Gujarat University, Ahmedabad -380009, Gujarat, India.

Assistant Professor

Shree Narayana College of Commerce, Ahmedabad-380015, Gujarat, India.

ABSTRACT

In the telecommunications industry, renowned for its customer-centric approach, this research delves into the vital connection between customer satisfaction and loyalty. The study comprehensively reviews existing literature, drawing insights from diverse geographical regions. This meticulous analysis uncovers both common threads and disparities within the current body of research, providing valuable guidance for scholars and researchers navigating the intricate landscape of customer satisfaction and loyalty within the telecom sector. Additionally, the review illuminates the evolving definitions of customer loyalty, ranging from observable behaviours to profound commitment, while delineating three distinct approaches to measurement. This systematic exploration underscores the contemporary shift in business strategy, highlighting the transition from a focus on customer acquisition to one centred on retention, ultimately reaffirming the pivotal role of customer loyalty in today's business landscape.

Keyword: Customer Satisfaction, Telecommunication, Telecom Sector, Customer Loyalty.

1. INTRODUCTION

The evolution of communication technology has been intrinsically linked to shifts in political and economic systems, resulting in corresponding changes in power structures. Communication, ranging from intimate exchanges to mass dissemination, has been integral to human history since the development of speech around 100,000 BCE. Technology's role in touch traces back to the earliest use of symbols around 30,000 BCE, including petroglyphs, pictograms, ideograms, and cave paintings. Subsequently, advancements such as writing, printing technologies, telecommunications, and the Internet have significantly transformed communication.

The history of telecommunications, for instance, was initiated with ancient methods like smoke signals and drums across Africa, Asia, and the Americas. However, the emergence of permanent semaphore systems in Europe during the 1790s marked a notable turning point. It was in the 1830s that electrical telecommunication networks began to take shape, ushering in a new era. In the contemporary telecommunications landscape, customers enjoy a plethora of service providers and actively exercise their right to switch providers. This industry is characterized by intense competition, offering consumers abundant choices and minimal switching costs, leading to high customer turnover. Customers seek specialized services at lower prices in such a fiercely competitive sector. For businesses in this environment, cultivating a base of satisfied and loyal customers yields substantial financial benefits, including reduced costs through improved retention, enhanced profitability from expanded relationships, and new referral revenue streams. Companies with loyal customers typically report higher profitability, as these customers are inclined to increase their purchases and promote the business through word of mouth. Given the competitive nature of the telecommunications industry, customer retention and satisfaction have taken precedence over customer acquisition. With annual churn rates averaging 30-35%, retaining existing customers is cost-effective and strategically crucial. Telecom companies must continually monitor the factors influencing customer satisfaction and loyalty.

This paper reviews the literature on customer satisfaction and loyalty within the telecommunications sector, shedding light on the factors that drive customer behaviours. While customer satisfaction and loyalty have been

extensively studied in the context of physical goods and services, fewer studies have explored these aspects within mobile telecommunications services. The limited research in this area has been complemented by subsequent studies that delve into the factors shaping customer satisfaction and loyalty. The primary objective of this paper is to synthesize the available literature to gain a comprehensive understanding of the concepts of customer satisfaction and loyalty within the realm of telecom services. The study reviews the literature surrounding customer satisfaction and loyalty in telecommunications, assesses various research methodologies, and examines the relationships among the considered variables.

The paper is structured as follows: It begins with an overview of customer satisfaction and loyalty concepts specific to the services sector, followed by a summary of selected studies investigating factors influencing customer satisfaction and loyalty in telecommunications across diverse geographical regions. The review then delves into a detailed analysis of the chosen literature, leading to a discussion and conclusion highlighting areas of consensus and contradiction among the reviewed studies. Finally, based on the insights from the review, the paper outlines directions for future research in the field.

2. CONCEPTS OF CUSTOMER SATISFACTION AND CUSTOMER LOYALTY

2.1 Customer satisfaction:

In the realm of modern marketing, customer satisfaction stands as a pivotal and widely acknowledged concept. Its significance extends far and wide, encompassing various facets of business operations. Notably, higher levels of customer satisfaction yield a host of tangible benefits, including improved financial performance. This enhancement is achieved through several means, such as reduced customer attrition, cultivating customer loyalty, propagating positive word-of-mouth, and elevating a firm's image and reputation. Given its multifaceted importance, customer satisfaction has been the subject of extensive research over the past two decades, reflecting its central role in contemporary business strategies (Srivastava, 2014).

Today, in the business landscape, customer satisfaction reigns supreme as a primary concern across various sectors. A survey of the current literature reveals a rich tapestry of customer satisfaction definitions and dimensions. This diversity is aptly illustrated in Table 1 and the subsequent discussion, underscoring the multifaceted nature of the customer satisfaction concept. At the core of satisfaction models lies the theory of disconfirmation. This theory forms the foundation upon which models of customer satisfaction are constructed. Customer satisfaction is the vital link connecting the intricate processes leading to purchase and consumption with subsequent post-purchase phenomena. These post-purchase effects encompass a spectrum of outcomes, including changes in attitudes, repeat purchases, and the cultivation of brand loyalty (Churchill & Surprenant, 1982). It is worth noting that this definition finds resonance in the works of scholars like Jamal and Naser (2003) and Mishra (2009), further reinforcing the centrality of customer satisfaction in contemporary business discourse.

Table 1: Definitions of customer satisfaction

Reference	Description of the concept
Oliver (1987)	Customer satisfaction is an outcome of a purchase/usage experience, an essential variable in the chain of purchase experience linking product selection with other post-purchase phenomena, including favourable word-of-mouth and customer loyalty.
Anderson and Sullivan (1993)	<i>Customer Satisfaction can be broadly characterized as a post-purchase evaluation of product quality given pre-purchase expectations.</i>
Giese and Cote (2000)	<i>Consumer satisfaction</i> is defined as a reaction (cognitive or affective) to a specific topic (e.g., a buying experience and the accompanying product) that happens at a specific moment (e.g., post-purchase, post-consumption).
Schiffman and Kanuk (2004)	Customer satisfaction is an individual's view of a product or service's performance and expectations.
Zeithaml and Bitner (2004)	Customer Satisfaction is a customer's evaluation of a product or service regarding whether it has met their needs and expectations. If there is any failure to meet needs and expectations, it results in product or service dissatisfaction.
Hill and Alexander (2006)	Customer satisfaction measures how your organization's product performs concerning customer requirements.

Karunakaran (2008)	Customer satisfaction measures how well a product's perceived performance fits the buyer's expectations. If a product fails to meet expectations, the customer is unhappy; if it meets expectations, the customer is satisfied. The customer is satisfied when his expectations exceed
Vadde, S. (2012)	Customer satisfaction is customers' mindset about a particular company when their expectations have been met or exceeded over the product or service's lifetime.
Dumbre G, and K Kaldante (2014)	Customer satisfaction is the consumer's assessment of the apparent discrepancy between prior expectations (or another performance standard) and the actual performance of the good or service as viewed after use.
Quadree, S. T., & Pahari, S. (2022)	<i>Customer satisfaction</i> is a customer's attitude toward the service provider or an emotional reaction to the gap between what consumers expect and receive regarding fulfilling some need, aim, or desire.

The difference between expected and experienced standards plays a pivotal role in determining satisfaction, as Liu and Khalifa (2003) outlined. Disconfirmation, which signifies the extent to which a product falls short of meeting customer expectations, is critical to understanding satisfaction (Mckinney et al., 2002; Spreng et al., 1996). Various scholars have approached customer satisfaction from different angles. Gundersen et al. (1996) define it as a post-consumption evaluative judgment specific to a product or service. Oliver (1980) characterizes it as a consequence of an evaluation process that juxtaposes pre-purchase expectations with performance perceptions during and after the consumer experience. Westbrook and Oliver (1991) view customer satisfaction as a post-choice evaluative judgment concerning a particular purchase selection. Similarly, Kristensen et al. (1999) emphasize that customer satisfaction is an evaluative response rooted in the purchase and consumption experience of comparing expectations and reality. Moliner et al. (2007) introduce the idea of customer satisfaction as a consumer's judgment of pleasure versus displeasure. They identify two critical responses associated with satisfaction: the cognitive response, which involves comparing expectations to performance, and the affective response, which relates to the emotional experience of the service encounter. Kumar and Oliver (1997) align satisfaction with customers' perceptions of their expectations being met, a sense of receiving 'fair' value, and an overall feeling of contentment. Further classifications of satisfaction delve into its components and nature. Giese and Cote (2000) categorize satisfaction based on response type (cognitive or emotional), focus (product, usage experience, or expectations), and the stage at which the response occurs (post-purchase, post-consumption, or cumulative experience). Halstead et al. (1994) highlight that customer satisfaction is a transaction-specific affective response from comparing product performance against pre-purchase standards. Cote et al. (1989) suggest that satisfaction is determined when the evaluation occurs, either naturally occurring, after consumption, or externally driven. Additionally, Vadde (2012) defines customer satisfaction as the consumer's perception of a particular company when their expectations have been met or exceeded over the product or service's lifetime. Dumbre G. and K Kaldante (2014) describe it as the consumer's assessment of the apparent discrepancy between prior expectations or another performance standard and the actual performance of the good or service viewed after use.

Satisfaction is also viewed through different approaches, including transaction-specific and cumulative perspectives. Transaction-specific satisfaction pertains to evaluating a specific product or service experience, often restricted to a single encounter. In contrast, cumulative satisfaction involves the holistic evaluation of all purchase commodities or service experiences. This cumulative evaluation provides valuable insights into business operational performance indicators (Anderson et al., 1994). Customer satisfaction directly impacts customer behavior, particularly regarding repurchase intentions and actual repurchasing, ultimately influencing an organization's future revenue and profitability. However, it is worth noting that not all research aligns with this positive correlation. Bowen and Shoemaker (2003) present an alternative perspective, suggesting that satisfied consumers may be less inclined to return to a company and share positive word-of-mouth recommendations with others. This divergence in findings can be attributed, in part, to situations where a company fails to meet customer desires or expectations (Roig et al., 2006).

In essence, the literature review underscores that customer satisfaction is rooted in a cognitive process involving comparing what customers receive in exchange for the service they obtain.

2.2 Customer loyalty:

Customer loyalty has emerged as a crucial focal point in the business landscape. Traditionally, marketing efforts were primarily geared towards acquiring new customers, with minimal emphasis on retaining existing ones. However, this paradigm has shifted significantly, driven by the recognition that many customers are lost before or during the repurchase decision-making process, often due to subpar service quality. This underscores the prevalence of customers actively exploring alternative options, highlighting the pivotal elements of commitment, affiliation, and engagement within a service-oriented marketplace (Bhattacharjee, 2005). Over the past couple of decades, there has been a noteworthy evolution in the strategic orientation of businesses. The focus has transitioned sequentially from a primary emphasis on quality to customer satisfaction and, most recently, to customer loyalty as the prevailing remedy for sustained success (Johnson and Gustafsson, 2006). Dawes and Swailes (1999) put forth the notion that high customer loyalty stands at the heart of effective customer retention, and organizations that compete through loyalty are poised to thrive in the competitive arena.

The conceptualization of customer loyalty has undergone steady development over the years. Initially, loyalty was predominantly associated with brand loyalty in the context of tangible products. Gremler and Brown (1996) highlighted that prior research predominantly concentrated on brand loyalty about physical goods, with limited exploration of customer loyalty towards service-oriented entities. Gremler and Brown (1996) expanded the scope of loyalty to encompass services (intangible goods), defining service loyalty as the extent to which a customer exhibits repeat purchasing behavior from a service provider, maintains a favorable attitude towards the organization, and exclusively considers this provider when a need for the service arises. Lovelock and Wirtz (2004) articulated customer loyalty as "a customer's willingness to continue patronizing a firm over the long term and recommending the firm's products and services to friends and associates." Heskett et al. (1994) defined customer loyalty as "representing repeat purchases and referring the company to other customers." Conversely, Bloemer and Kasper (1995) associated loyalty more with commitment, characterizing it as absolute loyalty rather than mere repetitive purchasing behavior, essentially denoting brand repurchases irrespective of commitment. Similarly, Gremler and Brown (1996) conceptualized customer loyalty as the degree to which a customer demonstrates recurrent purchase behavior from a service provider and maintains a favorable opinion of the service provider (Rahman et al., 2014).

In contrast, Zikmund et al. (2003) defined customer loyalty as a customer's dedication or attachment to a brand, retailer, manufacturer, service provider, or organization, predicated on favorable views and behavioral responses, such as repeat purchases. Oliver (1999) posited that customer loyalty encompasses a consumer's overall connection to or strong commitment to a product, service, brand, or company. Oliver (1999) elaborated that loyalty translates to a high commitment to consistently purchase or consume preferred products and services, even in changing circumstances or in the face of competitors' marketing efforts that could sway consumer preferences. Krishnan et al. (2001) underscored that customer loyalty is a strategic approach that benefits both customers and businesses. According to Edvardsson et al. (2000), customer loyalty manifests as a desire or inclination to engage in future transactions with the same company.

The literature review highlights three distinct approaches to understanding customer loyalty: the behavioral loyalty approach (Grahm, 1969), the attitudinal loyalty approach (Bennett & Rundle-Thiele, 2002; Jacoby, 1971; Jacoby & Chestnut, 1978), and the integration of attitudinal and behavioral loyalty approach (Dick & Basu, 1994; Jacoby, 1971; Jacoby & Chestnut, 1978; Oliver, 1997).

Table 2: Summary of considered studies

Authors	Dependent variables	Independent variables	Analysis methods	Remarks
Gerpott et al. (2001)	Customer loyalty, customer retention	Customersatisfaction, price, personal benefits, number portability, customer care	Structural equation modeling	Customer satisfaction significantly impacts customer loyalty, which in turn influences customer retention. Price and personal benefits perceptions and number

				portability had the most substantial effects on customer retention. Perceived customer care had no significant impact on customer retention.
Athanassopoulos and Iliakopoulos(2003)	Overall customer satisfaction	Product, billing, branch service, corporate image, fault repair, new service provision	Factor analysis	The results evidenced the dominance of the 'stable parts' of customer transactions over the 'unexpected incidents' such as fault repairs and new service provision. The antecedents of performance are obtained from the contact points between customers and the service points of a telecom company.
Wang et al. (2004)	Customer satisfaction	Customer value, service quality, customer perceived sacrifice.	Structural equation modeling	In addition to the direct interrelationships among service quality, customer value, and customer satisfaction, the moderating effect of customer value on the relationship between customer-perceived service quality and customer satisfaction is detected.
Balaji (2009)	Customer loyalty	Expectations, price quality, value, customer satisfaction, trust	Structural equation modeling	Perceived quality is an essential predictor of customer satisfaction, resulting in trust, price tolerance, and loyalty.
Ahmed et al. (2010)	Customer loyalty	Customer satisfaction, service quality	Pearson correlation, multiple regression	Significant and positive relations were observed between all variables of service quality, satisfaction, and customer loyalty except empathy, which shows significant but negative relations with satisfaction and customer loyalty.
Kim and Lee (2010)	Customer loyalty	Corporate image, brand awareness, service price, service quality, customer support services	Multiple regression	Customer loyalty in mobile communications service marketplaces is strongly influenced by corporate image, brand awareness, service pricing, and service quality. Furthermore,

				research data demonstrate that company image is the most critical factor in building consumer loyalty.
Akroush et al. (2011)	Customer loyalty	Customersatisfaction, trust, perceived switching costs, perceived service quality	Structural equation modeling	Customer loyalty is affected directly and significantly by customer satisfaction, customer trust, perceived switching costs, and perceived service quality. Customer loyalty was a multi-dependent construct affected by additional factors such as demographics, operator's image, and economic, social, and technological conditions.
Khayyat andHeshmati(2012)	Customersatisfaction	Gender, age, location, education level, purpose of use, income, price	Logistic regression	Gender, age, location, education level, and purpose of use are all highly statistically significant, but only gender and age have a positive effect on customer satisfaction.
Salleh andGelaidan(2012)	customer satisfaction	Perceived quality, perceived value, customer expectation, corporate image	Correlation, multiple regression	The study found that perceived value, quality, and corporate image significantly influence customer satisfaction, whereas customer expectation is positive but without statistical significance.
Oghojafor et al. (2014)	Customersatisfaction, customer loyalty	Product, price, distribution, promotion, customer service,trust	Multiple regression	The results revealed that product, promotion, and distribution have a higher impact on customer satisfaction. Besides customer satisfaction, trust was a significant determinant of customer loyalty in the telecom market.
Krishnan, J. J. (2021)	Customer loyalty	Product, services, brand loyalty,	K- means cluster analysis	The motivation to the customers can be given on the lines of entertainment, customer grievances, low prices, product availability, multinational brand availability, cleanliness, and

				attractive schemes. Promotional and marketing mixers are essential to keep the updated strategies for the continuous motivation of moral customers.
Quadree, S. T., & Pahari, S. (2022)	Customer satisfaction	Price, Product, reliability, efficiency	CFA and SEM approach	Customer satisfaction is a person's overall perception of a service provider or an emotional response to a mismatch between the expected service and the service they received to meet their goals or needs.

3. CUSTOMER SATISFACTION AND LOYALTY IN THE TELECOMMUNICATIONS SECTOR

This section of the article synthesizes existing research findings better to understand consumer loyalty and satisfaction within the telecommunications industry. These insights have been gleaned from studies conducted in various countries, spanning South Korea, Yemen, Bangladesh, India, Jordan, Bahrain, Kurdistan, Nigeria, Pakistan, Ghana, Syria, and Greece. The collective body of research published in national and international journals sheds light on critical factors contributing to customer satisfaction and loyalty in telecommunications. In a world witnessing a steady surge in mobile phone users, the significance of studying customer satisfaction and loyalty within the telecommunications domain has grown exponentially. To illustrate this, Gerpott et al. (2001) undertook a study in the German mobile cellular telecommunications market, focusing on the factors influencing customer retention from the perspective of service providers. Analyzing data collected from residential mobile communications users, they employed structural equation modeling to explore the intricate relationships between customer retention, customer loyalty, and customer satisfaction. Their findings underscored the pivotal role of overall customer satisfaction in shaping customer loyalty, which, in turn, impacts customers' decisions regarding the continuation or termination of their contractual relationships with mobile network operators. Key determinants identified included mobile service pricing and the quality of personal service. Notably, the landscape of customer satisfaction and loyalty research within the telecommunications sector began to evolve significantly post-2006, witnessing a substantial uptick in studies exploring these dimensions (Turel and Serenko, 2006).

Athanassopoulos and Iliakopoulos (2003) honed their research to focus on residential customers of a major European telecommunications company. Their inquiry delved into the service delivery process experienced by customers at various transaction points to shape their overall judgment about the organization. Building on existing theoretical frameworks, they postulated hypotheses regarding these transactional elements' impact and empirically tested them using data collected from 2500 fixed-line residential customers. Their findings highlighted the positive contributions of all transaction elements to the overall satisfaction variable. Notably, attributes associated with continuous transactions, such as corporate image, billing, product quality, and branch service, exerted a more substantial influence on overall perceived performance than incident-driven transactions like new service provisioning and fault repair. Wang et al. (2004) delved into the mobile communication market in China, systematically exploring the dynamic relationships between key drivers: service quality, customer value, and customer satisfaction. Their study involved developing and testing structural equation models, unveiling that not all quality-related factors hold equal weight in shaping customer-perceived service quality, customer value, and customer satisfaction. In addition to these direct interrelationships, the study unearthed the moderating effect of customer value on the relationship between customer-perceived service quality and customer satisfaction. Furthermore, it revealed that customer value and satisfaction significantly influenced customers' behavioral intentions. In contrast, the impact of customer-perceived service quality on behavior intentions was mediated through customer value and satisfaction.

Kim et al. (2004) probed the role of switching barriers as direct determinants of customer loyalty and satisfaction

among South Korean mobile telecom customers. Their study, involving 306 participants, revealed substantial positive impacts of customer happiness and switching barriers on customer loyalty. Customer support, value-added services, and call quality were identified as influential factors shaping service quality and significantly impacting client satisfaction. The study also highlighted the importance of loss and move-in costs as switching barriers, underlining their positive influence on customer satisfaction. Moreover, the study revealed that switching barriers directly affected customer loyalty, and this influence operated through an interaction with customer satisfaction.

In a broader context, Eshghi et al. (2008) explored service-related factors in the Indian mobile telecommunications sector. Their study, encompassing 238 mobile phone users across four major Indian cities, identified six factors - relational quality, competitiveness, reliability, reputation, support features, and transmission quality - as the underlying dimensions by which Indian mobile phone customers assessed the quality of their service. These factors significantly predicted customer satisfaction, repurchase intentions, and customers' likelihood to recommend the service to others. The study found that these dimensions played distinct roles in shaping various facets of customer behavior, underlining the multifaceted nature of customer satisfaction and loyalty.

Balaji (2009) focused on customer satisfaction with mobile services in India, employing a structural equation model based on data collected from 199 Indian postpaid mobile users. The study investigated the relationship between customer expectations, quality, value, satisfaction, and loyalty. Their findings underscored the critical role of perceived quality in determining customer satisfaction, subsequently fostering trust, price tolerance, and long-term customer loyalty. Notably, the study identified the lack of a correlation between perceived value and customer satisfaction, implying that mobile service subscribers considered the price charged for the high-quality services they received. This revealed that improving service quality was a key driver of satisfaction in the Indian mobile services context.

Ahmed et al. (2010) delved into the relationship between service quality dimensions (tangibles, responsiveness, empathy, assurance, and reliability), customer satisfaction, and customer repurchase intentions (loyalty) in the telecom sector of Pakistan. Their study, involving 331 young mobile users, revealed significant and positive relationships between all dimensions of service quality, customer satisfaction, and repurchase intentions, except empathy, which displayed significant but negative associations with satisfaction and repurchase intentions. Additionally, the study unveiled the mediating role of customer satisfaction in the relationship between service quality and customers' repurchase intentions, highlighting the intricate interplay between these variables in shaping customer loyalty.

Boohene and Agyapong (2010) scrutinized the factors influencing customer loyalty for Vodafone in Ghana, adopting the SERVQUAL model as the primary framework for assessing service quality. Using multiple and logistic regression analysis, the study explored the correlations between service quality, customer satisfaction, image, and customer loyalty. Their findings supported the proposed model, emphasizing direct paths from customers' perceived service quality and trust to customer loyalty and indirect paths through customer satisfaction. This study provided valuable insights into the nuanced relationships between these dimensions in the Ghanaian telecommunications landscape.

Kim and Lee (2010) conducted a web-based survey among 469 South Korean respondents, reinforcing previous research by highlighting the influential roles of service quality, service price, and corporate image as strong antecedents for customer loyalty. The study underscored the pivotal contributions of service quality and price in cultivating customer loyalty to service providers, further emphasizing the significance of corporate image in shaping overall reputation and prestige, thereby impacting customer loyalty.

Akroush et al. (2011) ventured into the Jordanian mobile telecommunications market, empirically constructing a structural equation model to delineate the antecedents of customer loyalty. Drawing from a sample of 756 mobile users, their findings highlighted customer loyalty as a multi-faceted concept, significantly influenced by customer satisfaction, trust, perceived switching costs, and perceived service quality. Interestingly, the study revealed that customer satisfaction wielded the most substantial direct effect on customer loyalty, subsequently influencing customer trust and perceived switching costs. While customer trust also played a role, it was weaker than customer satisfaction in driving loyalty. The study also identified the role of brand awareness as a robust determinant of customer loyalty. However, customer support service showed no significant relationship with customer loyalty.

Deng et al. (2010) delved into the factors influencing customer satisfaction and loyalty to mobile instant messages in China, highlighting trust, perceived service quality, perceived customer value, and switching costs as critical contributors to customer satisfaction. Their study revealed that perceived service quality held the most significant effect on customer satisfaction, with trust and customer satisfaction positively influencing customer loyalty. While the effects of switching costs were more minor in magnitude, they still contributed to loyalty. The results highlighted

the critical importance of satisfaction in building and maintaining customer loyalty, emphasizing the need for service providers to enhance service quality and customer value. To further explore these aspects in a Syrian context, Rahhal (2015) employed factor analysis based on data collected from 460 Syrian mobile phone service users. The study aimed to develop a valid and reliable instrument to measure customer-perceived service quality, incorporating both service delivery and technical quality aspects. Their findings underscored service quality's direct and significant impact on customer satisfaction, mediated through network quality, responsiveness, and reliability. In a broader strategic context, Lim (2020) emphasized the Research indicates that retaining existing customers can significantly boost profitability, making customer loyalty a crucial metric for success. Similarly, Quadree and Pahari (2022) highlighted the need for telecom companies to differentiate their brand through product value, pricing, customer services, and other factors that foster long-term customer loyalty. Understanding customer purchasing patterns and satisfaction becomes paramount in gaining a competitive edge within the market.

4. DISCUSSION

4.1 Customer satisfaction: The literature study identified a prevailing and evolving significance of customer satisfaction in contemporary business strategies. It underscores the multifaceted nature of customer satisfaction definitions and dimensions rooted in the disconfirmation theory. Researchers have approached customer satisfaction from various angles, highlighting its role as a post-consumption evaluative judgment juxtaposing pre-purchase expectations with performance perceptions. The response type, focus, and stage at which satisfaction occurs offer diverse classifications, ranging from transaction-specific to cumulative perspectives. While the positive correlation between customer satisfaction, repurchase intentions, and actual repurchasing is a recurring theme, some studies suggest that satisfaction might not always guarantee customer loyalty or positive word-of-mouth recommendations, particularly when companies fail to meet customer expectations.

4.2 Customer loyalty: The discussed literature reflects a shifting paradigm in the business landscape, where the traditional focus on customer acquisition has given way to a growing recognition of the imperative need for customer retention, primarily due to high attrition rates often linked to inadequate service quality. This evolution in business strategy underscores the rising significance of customer loyalty, which has undergone various conceptual refinements, encompassing behaviors like repeat purchasing, fostering positive attitudes, and cultivating exclusivity in consumers' choice of service providers. The literature reveals diverse interpretations of customer loyalty, spanning from behavioral indicators to deep-seated commitment. It also delineates three distinct approaches to understanding and measuring customer loyalty. In essence, the literature survey underscores the ascendant importance of customer loyalty, offering evolving definitions and emphasizing the contemporary emphasis on retaining and nurturing existing customer relationships.

4.3 Customer satisfaction and loyalty in the Telecommunications sector - The synthesis of extensive research within the telecommunications sector reveals several key findings. Customer satisfaction and loyalty are complex, interrelated concepts influenced by diverse factors such as service quality, pricing, corporate image, and trust. The significance of customer satisfaction in fostering loyalty is consistently emphasized across various studies. Service quality, including network performance and responsiveness, is critical in shaping customer satisfaction. Additionally, customer perception of value, pricing, and the overall customer experience contribute significantly to satisfaction and loyalty. Regional variations in customer preferences and demographics also influence these dynamics. Telecom companies must prioritize customer satisfaction through improved service quality and value propositions to cultivate and maintain customer loyalty in a competitive market.

5. CONCLUSION

The literature on customer satisfaction and loyalty reveals their pivotal roles in modern business strategies. Customer satisfaction is a multifaceted concept rooted in disconfirmation theory, encompassing various evaluative judgments that compare pre-purchase expectations with actual performance. Customer loyalty has evolved as a central focus, with diverse interpretations ranging from behavioural indicators to deep commitment. The telecommunications sector exemplifies the complex interplay of factors shaping customer satisfaction and loyalty, emphasizing the need for service quality, pricing, and overall customer experience. This literature underscores the

importance of prioritizing these elements to cultivate and maintain customer loyalty in today's competitive landscape.

6. SCOPE FOR FURTHER STUDIES

This study has provided valuable insights into customer satisfaction and loyalty factors within the telecommunications sector, laying the groundwork for future research. The research highlights the need for more comprehensive investigations in this domain, considering the dynamic technological landscape of the telecom industry. Future studies could delve deeper into unexplored factors and moderating variables, shedding light on their interactions with established factors. It is essential to exercise caution when applying these findings to other service industries, as this study focuses exclusively on the telecom sector. To enhance our understanding, future research should explore the cumulative impact of all these factors, striving to develop universal theories that can be applied across different service markets, thereby contributing to a more comprehensive understanding of customer satisfaction and loyalty dynamics.

7. REFERENCES

- [1] Adeleke, A. and Aminu, S.A. (2012) 'The determinants of customer loyalty in Nigeria's GSM market', *International Journal of Business and Social Science*, Vol. 3, No. 14, pp.209–222.
- [2] Adjei, K. and Denanyoh, R. (2014) 'Determinants of customer loyalty among mobile telecom subscribers in the Brong Ahafo Region of Ghana', *International Journal of Business and Social Research*, Vol. 4, No. 1, pp.82–95. <https://doi.org/10.18533/ijbsr.v4i1.366>
- [3] Ahmad, J., Hussain, M. and Rajput, A. (2015) 'Customer loyalty framework of telecommunication service market', *International Journal of Managing Value and Supply Chains*, Vol. 6, No. 1, pp.69–78.
- [4] Ahmed, I., Nawaz, M.M., Usman, A., Shaukat, M.Z., Ahmed, N. and Rehman, U.W. (2010) 'A mediation of customer satisfaction relationship between service quality and repurchase intentions for the telecom sector in Pakistan: A case study of university students', *African Journal of Business Management*, Vol. 4, No. 16, pp.3457–3462.
- [5] Akbar, M.M. and Parvez, N. (2009) 'Impact of service quality, trust, and customer satisfaction on customers loyalty', *ABAC Journal*, Vol. 29, No. 1, pp.24–38.
- [6] Akroush, M.N., Al-Mohammad, S.M., Zuriekat, M.I. and Abu-Lail, B.N. (2011) 'An empirical model of customer loyalty in the Jordanian mobile telecommunications market', *International Journal of Mobile Communications*, Vol. 9, No. 1, pp.76–101.
- [7] Almossawi, M.M. (2012) 'Customer satisfaction in the mobile telecom industry in Bahrain: antecedents and consequences', *International Journal of Marketing Studies*, Vol. 4, No. 6, pp.139–156.
- [8] Anderson, E.W. and Sullivan, M.W. (1993) 'The antecedents and consequences of customer satisfaction for firms', *Marketing Science*, Vol. 12, No. 2, pp.125–143
- [9] Anderson, E.W., Fornell, C. and Lehmann, D.R. (1994) 'Customer satisfaction, market share, and profitability: findings from Sweden', *The Journal of Marketing*, Vol. 58, No. 3, pp.53–66.
- [10] Asgarpour, R., Hamid, A. B., Sulaiman, Z., & Asgari, A. A. (2014). A Review on Customer Perceived Value and Its Main Components. *Social Science Research Network*. https://papers.ssrn.com/sol3/Delivery.cfm/SSRN_ID3006880_code2742877.pdf?abstractid=3001609&mirid=1
- [11] Athanassopoulos, A.D. and Iliakopoulos, A. (2003) 'Modeling customer satisfaction in telecommunications: assessing the effects of multiple transaction points on the perceived overall performance of the provider', *Journal of Production and Operations Management*, Vol. 12, No. 2, pp.224–245. <https://doi.org/10.1111/j.1937-5956.2003.tb00502.x>
- [12] Balaji, M. (2009) 'Customer satisfaction with Indian mobile services', *IUP Journal of Management Research*, Vol. 8, No. 10, pp.52–62.
- [13] Bennett, R. and Rundle-Thiele, S. (2002) 'A comparison of attitudinal loyalty measurement approaches', *The Journal of Brand Management*, Vol. 9, No. 3, pp.193–209.
- [14] Bhattacharjee, C. (2005) *Service Sector Management – An Indian Perspective*, Jaico, Mumbai.
- [15] Bloemer, J.M. and Kasper, H.D. (1995) 'The complex relationship between consumer satisfaction and brand loyalty', *Journal of Economic Psychology*, Vol. 16, No. 2, pp.311–329.

- [16] Boohene, R. and Agyapong, G.K. (2010) 'Analysis of the antecedents of customer loyalty of telecommunication industry in Ghana: the case of Vodafone (Ghana)', *International Business Research*, Vol. 4, No. 1, p229.
- [17] Bowen, J.T. and Shoemaker, S. (2003) 'Loyalty: a strategic commitment', *Cornell Hotel and Restaurant Administration Quarterly*, Vol. 44, Nos. 5–6, pp.31–46.
[http://www.mckinsey.com/~media/mckinsey/dotcom/client_service/telecoms/pdfs/evolve_orp%20erish.ashx%20\(accessed%20October%2013%202015\).%20](http://www.mckinsey.com/~media/mckinsey/dotcom/client_service/telecoms/pdfs/evolve_orp%20erish.ashx%20(accessed%20October%2013%202015).%20)
- [18] Cacioppo, K. (2000) 'Measuring and managing customer satisfaction', *QualityDigest*[online] [https://www.qualitydigest.com/magazine/2000/sep/article/measuring-and-managing-customersatisfaction.html#%20\(accessed%2024%20November%202015\)](https://www.qualitydigest.com/magazine/2000/sep/article/measuring-and-managing-customersatisfaction.html#%20(accessed%2024%20November%202015)).
- [19] Churchill Jr, G.A. and Surprenant, C. (1982) 'An investigation into the determinants of customer satisfaction', *Journal of Marketing Research*, Vol. 19, No. 4, pp.491–504.
- [20] Cote, J.A., Foxman, E.R. and Cutler, B.D. (1989) 'Selecting an appropriate standard of comparison for post-purchase evaluations', *Advances in Consumer Research*, Vol. 16, No. 1, pp.502–506
- [21] Communication - The Art and Popular Culture Encyclopedia.
<http://artandpopularculture.com/Communication>
- [22] Dick, A.S. and Basu, K. (1994) 'Customer loyalty: toward an integrated conceptual framework', *Journal of the Academy of Marketing Science*, Vol. 22, No. 2, pp.99–113.
- [23] Dawes, J. and Swailes, S. (1999) 'Retention sans frontieres: issues for financial service retailers', *International Journal of Bank Marketing*, Vol. 17, No. 1, pp.36–43.
- [24] Dumbre, G. and K Kaldante. 2014. "A Study of Customer Satisfaction of Selected DTH Services with a Special Reference to Junnar Taluka (Dist - Pune, Maharashtra)." *Sumedha Journal of Management* 3 (4): 14.
- [25] Deng, Z., Lu, Y., Wei, K.K. and Zhang, J. (2010) 'Understanding customer satisfaction and loyalty: An empirical study of mobile instant messages in China', *International Journal of Information Management*, Vol. 30, No. 4, pp.289–300.
- [26] <https://doi.org/10.1016/j.ijinfomgt.2009.10.001>
- [27] Edvardsson, B., Johnson, M.D., Gustafsson, A. and Strandvik, T. (2000) 'The effects of satisfaction and loyalty on profits and growth: products versus services', *Total Quality Management*, Vol. 11, No. 7, pp.917–927.
- [28] Eshghi, A., Haughton, D. and Topi, H. (2007) 'Determinants of customer loyalty in the wireless telecommunications industry', *Telecommunications Policy*, Vol. 31, No. 2, pp.93–106.
- [29] Eshghi, A., Roy, S.K. and Ganguli, S. (2008) 'Service quality and customer satisfaction: an empirical investigation in Indian mobile telecommunications services', *Marketing Management Journal*, Vol. 18, No. 2, pp.119–144.
- [30] Gerpott, T.J., Rams, W. and Schindler, A. (2001) 'Customer retention, loyalty, and satisfaction in the German mobile cellular telecommunications market', *Telecommunications Policy*, Vol. 25, No. 4, pp.249–269..
<https://de.slideshare.net/CuongDinh5/customer-retention-loyalty-and-satisfaction-in-the-german>
- [31] Giese, J.L. and Cote, J.A. (2000) 'Defining consumer satisfaction', *Academy of Marketing Science Review*, Vol. 1, No. 1, pp.1–22.
- [32] Grahn, G.L. (1969) 'NBD model of repeat-purchase loyalty: an empirical investigation', *Journal of Marketing Research*, Vol. 6, No. 1, pp.72–78.
- [33] Gremler, D.D. and Brown, S.W. (1996) 'Service loyalty; its nature, importance and implications', in Edvardsson B., Brown, S.W., Johnston, R. and Scheuing, E. (Eds): *QUIS V: Advancing Service Quality: A Global Perspective*, ISQA, New York, NY, pp.171–81.
- [34] Gundersen, M.G., Heide, M. and Olsson, U.H. (1996) 'Hotel guest satisfaction among business travelers: what are the important factors?', *The Cornell Hotel and Restaurant Administration Quarterly*, Vol. 37, No. 2, pp.72–81.
- [35] Haistead, D., Hartman, D. and Schmidt, S.L. (1994) 'Multisource effects on the satisfaction formation process', *Journal of the Academy of Marketing Science*, Vol. 22, No. 2, pp.114–129.
- [36] Hansemark, O.C. and Albinsson, M. (2004) 'Customer satisfaction and retention: the experiences of individual employees', *Managing Service Quality: An International Journal*, Vol. 14, No. 1, pp.40–57.
- [37] Heskett, J.L., Jones, T.O., Loveman, G.W., Sasser, W.E. and Schlesinger, L.A. (1994) 'Putting the service-profit chain to work', *Harvard Business Review*, March–April, Vol. 72, No. 2, pp.164–74.
- [38] Jacoby, J. (1971) 'Brand loyalty: a conceptual definition', *Proceedings of the Annual Convention of the American*

- Psychological Association*, American Psychological Association.
- [39] Jacoby, J. and Chestnut, R.W. (1978) *Brand Loyalty: Measurement and Management*, Wiley, New York..
- [40] Jahanzeb, Sadia, and Sidrah Jabeen. "Churn Management in the Telecom Industry of Pakistan: A Comparative Study of Ufone and Telenor." *The Journal of Database Marketing & Customer Strategy Management*, 2007, <https://doi.org/10.1057/palgrave.dbm.3250043>
- [41] Jamal, A. and Naser, K. (2003) 'Factors influencing customer satisfaction in the retail banking sector in Pakistan', *International Journal of Commerce and Management*, Vol. 13, No. 2, pp.29–53.
- [42] Jahanzeb, Sadia, and Sidrah Jabeen. "Churn Management in the Telecom Industry of Pakistan: A Comparative Study of Ufone and Telenor." *The Journal of Database Marketing & Customer Strategy Management*, 2007, <https://doi.org/10.1057/palgrave.dbm.3250043>
- [43] Johnson, M. and Gustafsson, A. (2006) *Improving Customer Satisfaction, Loyalty and Profit: An Integrated Measurement and Management System*, John Wiley and Sons [online]
- [44] <https://books.google.co.in/>
- [45] Johnson, M.D., Anderson, E.W. and Fornell, C. (1995) 'Rational and adaptive performance expectations in a customer satisfaction framework', *Journal of Consumer Research*, Vol. 21, No. 4, pp.695–707.
- [46] Karunakaran, K. (2008) *Marketing Management* [online] https://books.google.co.in/books/about/Marketing_Management.html?id=bjY8zQEACAAJ&redir_esc=y
- [47] Khayyat, N.T. and Heshmati, A. (2012) 'Determinants of mobile phone customer satisfaction in the Kurdistan region', *Journal of Knowledge Management, Economics and Information Technology*, Vol. 2, No. 3, pp.3–31.
- [48] Kim, M.K., Park, M.C. and Jeong, D.H. (2004) 'The effects of customer satisfaction and switching barrier on customer loyalty in Korean mobile telecommunication services', *Telecommunications Policy*, Vol. 28, No. 2, pp.145–159.
- [49] Kim, Y.E. and Lee, J.W. (2010) 'Relationship between corporate image and customer loyalty in mobile communications service markets', *Africa Journal of Business Management*, Vol. 4, No. 18, pp.4035–4041.
- [50] Krishnan, J. J. (2021). A study on loyalty dimension and measurement. *Materials Today: Proceedings*. <https://doi.org/10.1016/j.matpr.2020.06.046>
- [51] Kristensen, K., Martensen, A. and Gronholdt, L. (1999) 'Measuring the impact of buying behaviour on customer satisfaction', *Total Quality Management*, Vol. 10, Nos. 4–5, pp.602–614.
- [52] Kumar, A. and Oliver, R.L. (1997) 'Special session summary: cognitive appraisals, consumer emotions, and consumer response', *Advances in Consumer Research*, Vol. 24, No. 1, pp.17–18.
- [53] Lee, J., Lee, J. and Feick, L. (2001) 'The impact of switching costs on the customer satisfaction/loyalty link: mobile phone service in France', *Journal of Services Marketing*, Vol. 15, No. 1, pp.35–48.
- [54] Lim, T. (2020). Applying Survival Analysis for Customer Retention: A U.S. Regional Mobile Service Operator. <https://doi.org/10.1109/zinc50678.2020.9161811>
- [55] Liu, V. and Khalifa, M. (2003) 'Determinants of satisfaction at different adoption stages of Internet-based services', *Journal of the Association for Information Systems*, Vol. 4, No. 1, p.12.
- [56] Lovelock, C. and Wirtz, J. (2004) 'Services marketing: people, technology, strategy', *Journal of Services Marketing*, Vol. 18, No. 5, pp.413–414.
- [57] Lu, J. (2002) 'Predicting customer churn in the telecommunications industry – an application of survival analysis modeling using SAS', *SAS User Group International (SUGI27) Online Proceedings*, pp.114–127.
- [58] Malik, M.E., Ghafoor, M.M. and Iqbal, H.K. (2012) 'Impact of brand image, service quality and price on customer satisfaction in Pakistan Telecommunication sector', *International Journal of Business and Social Science*, Vol. 3, No. 23, pp.123–129.
- [59] McKinney, V., Yoon, K. and Zahedi, F.M. (2002) 'The measurement of web-customer satisfaction: an expectation and disconfirmation approach', *Information Systems Research*, Vol. 13, No. 3, pp.296–315.
- [60] Mishra, A.A. (2009) 'A study on customer satisfaction in Indian retail banking', *IUP Journal of Management Research*, Vol. 8, No. 11, p.45.
- [61] Moliner, M.A., Sánchez, J., Rodríguez, R.M. and Callarisa, L. (2007) 'Perceived relationship quality and post-purchase perceived value: an integrative framework', *European Journal of Marketing*, Vol. 41, Nos. 11/12, pp.1392–1422.
- [62] Oghojafor, B.E., Ladipo, K.A., Ighomereho, O.S. and Odunewu, A.V. (2014) 'Determinants of customer satisfaction and loyalty in the Nigerian telecommunications industry', *British Journal of Marketing Studies*, Vol.

- 2, No. 5, pp.67–83.
- [64] Oliver, R.L. (1980) 'A cognitive model of the antecedents and consequences of satisfaction decisions', *Journal of Marketing Research*, Vol. 17, No. 4, pp.460–469.
- [65] Oliver, R.L. (1987) 'An investigation of the interrelationship between consumer (dis) satisfaction and complaint reports', *Advances in Consumer Research*, Vol. 14, No. 1, pp.218–222.
- [66] Oliver, R.L. (1997) *Satisfaction: A Behavioral Perspective on the Customer*, McGraw-Hill, New York.
- [67] Oliver, R.L. (1999) 'Whence consumer loyalty?', *The Journal of Marketing*, October, Vol. 63, pp.33–44.
- [68] Olsen, L.L. and Johnson, M.D. (2003) 'Service equity, satisfaction, and loyalty: from transactionspecific to cumulative evaluations', *Journal of Service Research*, Vol. 5, No. 3, pp.184–195.
- [69] Quadree, S. T., & Pahari, S. (2022). Evaluating the role of consumer perceptions in direct selling business in new normal era. *International Journal of Health Sciences (IJHS)*. <https://doi.org/10.53730/ijhs.v6ns1.6961>
- [70] Rahhal, W. (2015) 'The effects of service quality dimensions on customer satisfaction: an empirical investigation in Syrian mobile telecommunication services', *International Journal of Business and Management Invention*, Vol. 4, No. 5, pp.81–89.
- [71] Rahman, Arafat, and Parisa Khan. 2014. "Effect of Service Convenience on Service Loyalty: Moderating Role of Consumer Characteristics." *South Asian Journal of Management* 21 (3): 7.
- [72] Reichheld, B.F.E. and Detrick, C. (2003) 'Want to know how to keep expenses low? Think loyalty', *American Banker*, Vol. 168, No. 181, p.6.
- [73] Roig, J.C.F., Garcia, J.S., Tena, M.A.M. and Monzonis, J.L. (2006) 'Customer perceived value in banking services', *International Journal of Bank Marketing*, Vol. 24, No. 5, pp.266–283.
- [74] Salleh, S.B.M. and Mahmood Gelaidan, H. (2012) 'Factors affecting customer satisfaction of mobile services in Yemen', *American Journal of Economics*, Vol. 2, No. 7, pp.171–184.
- [75] Schiffman, L.G. and Kanuk, L.L. (2004) *Consumer Behaviour*., 8th ed., New..
- [76] Sharma, Achintya, et al. "Prediction of Customer Retention Rate Employing Machine Learning Techniques." 2022, <https://doi.org/10.1109/ici53355.2022.9786903>
- [77] Spreng, R.A., MacKenzie, S.B. and Olshavsky, R.W. (1996) 'A reexamination of the determinants of consumer satisfaction', *The Journal of Marketing*, Vol. 60, No. 3, pp.15–32.
- [78] Srivastava, S. (2014) *A Study of the Impact of Customer Care Services on Customer Satisfaction of Mobile Phone Subscribers of UP East Circle*, Doctoral thesis, IFTM University, Moradabad, India [online]
- [79] <https://www.semanticscholar.org/paper/A-Study-of-the-Impact-of-Customer-Care-Services-on-Srivastava/9b4e57b3609b1b882021489bb728af4f7121162f>
- [80] Tse, D.K. and Wilton, P.C. (1988) 'Models of consumer satisfaction formation: an extension', *Journal of Marketing Research*, May, Vol. 25, pp.204–212.
- [81] Turel, O. and Serenko, A. (2006) 'Satisfaction with mobile services in Canada: an empirical investigation', *Telecommunications Policy*, Vol. 30, No. 5, pp.314–331.
- [82] Vadde, S. (2012). Customer satisfaction towards two-wheeler automobiles: An empirical study. *JIMS8M: The Journal of Indian Management & Strategy*. <https://www.indianjournals.com/ijor.aspx?target=ijor:jims8m&volume=17&issue=3&article=005>
- [83] Wang, Y., Lo, H.P. and Yang, Y. (2004) 'An integrated framework for service quality, customer value, satisfaction: evidence from China's telecommunication industry', *Information Systems Frontiers*, Vol. 6, No. 4, pp.325–340.
- [84] <https://doi.org/10.1023/b:isfi.0000046375.72726.67>
- [85] Westbrook, R.A. and Oliver, R.L. (1991) 'The dimensionality of consumption emotion patterns and consumer satisfaction', *Journal of Consumer Research*, Vol. 18, No. 1, pp.84–91.
- [86] Westbrook, R.A. and Reilly, M.D. (1983) 'Value-percept disparity: an alternative to the disconfirmation of expectations theory of consumer satisfaction', *Advances in Consumer Research*, Vol. 10, No. 1, pp.256–261.
- [87] When were telecommunication invented? – Atheists for human rights. <https://www.atheistsforhumanrights.org/when-were-telecommunication-invented/>
- [88] Zeithaml, V.A. and Bitner, M.J. (2004) *Services Marketing. Integrating Customer Focus Across the Firm* [online] [https://www.scirp.org/\(S\(35ljmbntvnsjt1aadkposzje\)\)/reference/ReferencesPapers.aspx?ReferenceID=1353781](https://www.scirp.org/(S(35ljmbntvnsjt1aadkposzje))/reference/ReferencesPapers.aspx?ReferenceID=1353781)
- [89] Zikmund, W.G., McLeod, R. and Gilbert, F.W. (2003) *Customer Relationship Management: Integrating Marketing Strategy and Information Technology*, Wiley, New York, NY.