The Impact of Service Quality Delivery on Customer Loyalty in the Telecommunication Industry: A Case Study of Expresso Telecom, Ghana

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Abstract- *Companies today operate in an increasingly dynamic and challenging environment. The search for quality service is debatably the most important consumer trend as consumers are now demanding higher quality in products and in services than ever before. The paper examined the impact of service quality delivery on customers in the Telecommunication industry. A sample of 150 customers as well as 13 staffs from the chosen company was used for study. Convenient and stratified sampling techniques were used in selecting 163 respondents. Data was collected from both primary and secondary sources. Primary data was in a form of questionnaires and interviews in eliciting information for the study while the secondary data was culled from other related works from libraries as well as information from the internet. Qualitative and Quantitative research approaches were also adopted .SPSS version 16 was used in analyzing the data. It was revealed from the study that, the company has an excellent customer service policy based on the five dimensions of SERQUAL. The study recommended for the company develops innovative products geared towards the needs of the market.*

Keywords-*Tangibles; Reliability; Responsiveness; Assurance and Empathy*

1. INTRODUCTION

Over the years the subscriber-base of Expresso Telecom Ltd has been decreasing. (NCA 2009, 2010, 2011). This has negatively affected the market share as well as the profitability of the company. In the reports of NCA above, when the population of Ghana was 22,917,720 in 2009, the total number of mobile phone subscribers stood at 15,108,916. This constituted a total market share of 65.9% in the Telecommunication sector. Out of the total subscriber base, Expresso had 262,259 which represented a market share of 1.71% (NCA, 2009). In 2010, when population increased to 23,501,964, the subscriber base of mobile phone users also increased to 17,436,949 increasing the total market share to 98.4%. In spite of the increase in the total subscriber-base in the Telecommunication industry, the subscriber base of Expresso decreased to 239,815, translating into a market share of 1.35%. Again in 2011, the country's population increased to 24,722,485 with a corresponding increase of 19,893,191 in the total subscribe-base of the Telecommunication industry. However the subscriber base of Expresso has further decreased to 206,606, reducing the market share also further to 1.02%. From this trend it is clearly shown that there is a problem that needs to be investigated. The problem about service quality delivery has further been confirmed by a fine totaling GH 1.2 million that has been imposed by NCA on MTN, Vodafone, Airtel, Expresso and Tigo, for rendering poor services to customers (National Communications

Authority, 2011). Oliver (1997) defined customer loyalty as a "*deeply held commitment to repatronize a preferred product or service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing effort shaving the potential to cause switching behavior*". Customers of Expresso have been churning out over the years which could imply that they are not loyal to Expresso. This disloyalty could stem from the fact that service quality delivery by Expresso is not on point. Could there also be a problem in respect to the coverage area, corporate image, staff's attitude towards customers and work in general, marketing strategy, phone quality, corporate image? These are the issues that the study seeks to investigate. The general objective of the study is to investigate the impact of service quality delivery on customer loyalty in Expresso Telecom Ghana, Kumasi. In specific, the study seeks to:

1. Analyze service quality delivery of Expresso Telecom Ghana, Kumasi.
2. Analyze customer satisfaction levels with respect to service quality delivery in Expresso Telecom Ghana, Kumasi. 3. Investigate levels of customer loyalty at Expresso Telecom Ghana, Kumasi.
4. Determine the relationship between service quality and customer loyalty in Expresso Telecom Ghana, Kumasi

2. REVIEW OF LITERATURE

2.1 RELATIONSHIP BETWEEN SERVICE QUALITY AND CUSTOMER LOYALTY

Cronin & Taylor, (1992) identified several research works done by others concerning the establishment of the relationship that exist between service quality and customer preference loyalty. Cronin and Taylor (1992) concentrated on repurchase intentions in their studies whereas Boulding et al. (1993) focused on the components of repurchasing as well as the willingness to recommend. From the study done by Cronin and Taylor, service quality did not have a significant (positive) effect on repurchase intentions, whereas the study done by Boulding et al showed that a positive relationship exist between service quality and repurchase intentions and willingness to recommend.Success of a service provider depends on the high quality relationship with customers (Panda, 2003) which determines customer satisfaction and loyalty (Jones, 2002 as cited by Lymperopoulos et al., 2006). Research has shown repeatedly that service quality influences organizational outcome such as performance superiority (Poretla & Thanassoulis, 2005), increasing sales profit (Levesque & Mc. Dougal, 1996; Kish, 2000; Duncan & Elliot, 2002) and market share (Fisher, 2001), improving customer relations, enhance corporate image and promote customer loyalty (Newman, 2001; Szymigin & Carrigan, 2001; Caruana, 2002; Ehigie, 2006). Repurchase intentions were also realized to be a means through which service quality and customer satisfaction are related to customer loyalty. (Levesque & Mc. Dougall, 1996; Newman, 2001; Caruana, 2002). Service quality delivery to customers is important for the success and survival for companies in the telecom industries. Considering the competitive environment, there is a need for telecom companies to plan their strategies that will differentiate them from others. This can be achieved through the delivery of high service quality. The practice of excellent service quality has been proven that customer satisfaction will significantly lead to customer loyalty (Caruana et al., 2000; Caruana, 2002). The present research employs SERVQUAL scale (Parasuraman et al., 1988) to measure the customers' loyalty.

2.2 SERVICE DELIVERY IN THE TELECOMMUNICATION INDUSTRY

Ghana's mobile telecommunication industry is perhaps one of the fastest growing service sectors of the Ghanaian economy. The sector is confronted with fierce competition and currently has six telecom operators namely: MTN, TIGO, Vodafone, Airtel, Expresso and Glo. Despite the high number of Mobile Telecommunication service providers in Ghana, complaints from customers regarding dissatisfaction with services have increased in recent times. The dissatisfaction of consumers has been attributed largely to poor service quality delivery by the operators and it is often highlighted in the media and widely discussed among the general public. The country's telecom watchdog, the National Communications Authority (NCA) has threatened to crack down on mobile network providers if they fail to tackle the chronic problem of poor service quality (NCA, 2012). As part of the measures to promote further competition and improve service delivery, the NCA introduced the Mobile Number Portability (MNP) (Mobile number portability enables a subscriber to leave the current service provider to a new one without changing the number) in July, 2011. As of 30th September, 2011, twelve weeks from the commencement of MNP, as many as 105,678 mobile phone subscribers had successfully ported their mobile numbers (NCA, 2011). The high number of subscribers who had ported within this short period of time confirms the high level of dissatisfaction with the existing services provided and the desire to seek better services elsewhere.

2.3 RELATIONSHIP BETWEEN CUSTOMER SATISFACTION AND CUSTOMER LOYALTY

Several authors have found a positive correlation between customer satisfaction and loyalty (Anderson & Sullivan, 1993; Bolton & Drew, 1991; Fornell, 1992). Numerous studies in the service sector have also empirically validated the link between satisfaction and behavioral intentions such as customer retention and word of mouth (Anderson & Sullivan, 1993; Bansal & Taylor, 1999; Cronin & Taylor, 2000).

2.4 EMPIRICAL LITERATURE SERVICE QUALITY

Rahaman et al. 2011, explored service quality of the private commercial banks in Bangladesh. The findings from their study revealed that, one of the primary causes of service quality design failure is the lack of understanding of the evolving need and preferences of targeted customers. Ilhaamie (2010) examined the level of service quality, expectation and perception of the external customers towards the Malaysian public services using the SERVQUAL instrument. The study found that tangible is the most important dimension. It also has the lowest scores of perception. On the other hand, service quality gap is neither the lowest nor the highest. Finally, these external customers have the highest expectation on the reliability of the Malaysian public service. Ojo (2010) investigated the relationship between service quality and customer satisfaction in the telecommunication industry with a focus on Mobile Telecommunication Network (MTN) Nigeria. A total of 230 respondents participated in the study. Regression analysis and Pearson product moment correlation coefficient were employed in analyzing the data. The study revealed a positive relationship between service quality and customer satisfaction. The researcher therefore recommended that organizations should focus more attention on service quality, because of its effects on customer satisfaction. To ensure that customer satisfaction level is high organization must first of all know the expectations of the customers and how they can meet such expectations. Customer satisfaction helps in customer loyalty and retention. It has been discovered that the cost of attracting new customer far exceeds the cost involved in retaining existing ones. Kheng et al, (2010) employed the SERVQUAL model developed by Parasuraman et al.,

1988 with five dimensions to evaluate the impact of service quality on customer loyalty among bank customers in Penang, Malaysia. Customer satisfaction was used as an intermediate variable. The findings show that improvement in service quality can enhance customer loyalty. The service quality dimensions that play a significant role in the equation are reliability, empathy, and assurance. The findings indicate that the overall respondents evaluate the bank positively, but still there are rooms for improvements. Sammons (1982) conducted an exploratory study of customer satisfaction of fine dining restaurants in Singapore. The paper seeks to find out the service dimensions of service quality, which lead to higher levels of customer satisfaction. The findings from the study indicated that the service dimensions of assurance, empathy and tangibles are the most important to customers' evaluation of service quality, and thus, may have a positive influence customer satisfaction. What seems to be a key factor which links the various service quality dimensions and customer loyalty is customer satisfaction. Customer satisfaction is therefore considered as an intermediate variable or a conduit through which service quality affects customer loyalty. From 2.1, tangibles, reliability, responsiveness, assurance, and empathy are dimensions of service and when these meet customers' expectation then it leads to the customer perceiving the service as quality. The perceived service quality will then leads to customer satisfaction. Perceived quality in many cases leads to customer loyalty. Customer satisfaction also leads to customer loyalty. Based on the literature review, the study develops the conceptual framework above to analyze the relationship between service quality and customer loyalty.

2.5 SERVICE DELIVERY IN THE TELECOMMUNICATION INDUSTRY

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their mobile numbers (NCA, 2011). The high number of subscribers who had ported within this short period of time confirms the high level of dissatisfaction with the existing services provided and the desire to seek better services elsewhere.

3. METHODOLOGY

The study used the SERVQUAL instrument to assess the impact of quality service delivery and customer loyalty in Expresso Telecom Ghana, Kumasi. The population for the study comprised customers of Expresso (consumers & corporate institutions) and staff within Kumasi, Ghana. As of May, 2012, data users of Expresso were estimated at 9,845. With 3,035 using voice services. Out of this statistic, 12876 were individual consumers with 4 being corporate institutions. The Kumasi branch of Expresso has staff strength of 13. The population of the study was therefore estimated at 12,893. The sample of customer responses was drawn from the Kumasi branch of Expresso Telecom located at Adum. The sample consisted of 150 customers and staff of Expresso Telecom. Since this study did not intend to measure quality perceptions in relation to any particular customer or staff, respondents were approached at the Adum branch and respective business premises. The study used SERVQUAL instrument (questionnaires) proposed by Parasuraman et al. (1988) with modification to suit the Ghanaian context. The developed questionnaires were administered to customers of Expresso at the Kumasi branch. The SERVQUAL instrument is made up of five dimensions. These dimensions are tangibles, reliability, responsiveness, assurance and empathy. A five – point Likert scale ranging from "Strongly Disagree = 1" to "Strongly Agree = 5" was used to measure the items in the dimensions. The obtained data from the questionnaire were analyzed through Statistical Package for Social Sciences (SPSS) version 16. The statistical methods involved those of descriptive (mean and standard deviation) and inferential statistics (Chi-square test and Pearson Correlation). The descriptive statistical technique was used to evaluate customers' perception of quality service delivery. Moreover correlation analysis was also used to test the impact of the SERVQUAL dimensions on customer loyalty.

4. DATA ANALYSIS

The collected data were analysed using Statistical Package for Social Science (SPSS) version 16. This software was chosen due to its up to date range of statistical methods. It has a good editing facility as well as the ability to produce output in both report and table formats. It handles missing data with precision. The statistical methods involved those of descriptive (mean and standard deviation) and inferential statistics (regression analysis). Frequency tables and graphs were also employed in the data analysis.
The details of the scoring for the scale used for this assessment are presented below:

1 – Strongly Disagree: That the respondents strongly disagree with the statement or the issue as it applies to service quality.

2 – Disagree: That the respondent disagrees more than she agrees with the issue with regards service quality

3 - Not sure: This means that respondents are not able to give knowledgeable response on the issue. It also denotes a position of neutrality.

4 – Agree: The respondent agrees more that she disagrees with respect to the statement or issues as it applies to service quality

5 – Strongly agree: Respondent strongly agrees with the statement/issue as it applies to service quality.

The evaluation of the level of service quality provided by Expresso Telecom was done in two main levels. The aggregate rating, based on the score of the various statements of the five thematic areas of service quality, i.e. tangibility, empathy, assurance, responsiveness and reliability, was used for the study. In this situation, an aggregate score above 50% of the expected aggregate total score was deemed to demonstrate a "Good" level of service quality grade whilst below 50% was assigned a "Poor" level of service quality grade (Malhotra, 2007). The ratings were compared to the respondents' background using cross tabulations and the chi-square test of dependency. On the second level, the likert questions on provision of service quality were grouped under the five themes of tangibility, empathy, assurance, responsiveness and reliability. The individual themes were then analyzed. On the basis of the scoring scale, it was deduced that a mean score below 3 of each statement of a theme denotes a general disagreement with that statement and therefore "low level" of service quality. On the other hand, any mean score of above 3 was deemed to indicate an agreed general perception on the statement and therefore "high level" of service quality.The impact of the service quality dimensions on customer loyalty ascertained through the regression model.

5.   RESULTS

5.1 SERVICE QUALITY AT EXPRESSO

The tables 1-5 in Annexure below provided information about the mean, mode, standard deviation, the minimum and maximum values (range of scores) for the specific questions posed related to the service quality at Expresso. For purposes of this research, in analyzing data, any calculated standard deviations that are more than 2 standard deviations above or below the mean will be considered unreliable. They lie outside the 95% confidence limits for probability. Any deviations within the data did not occur from chance alone: something was going on that affected the normal distribution of the data. The mean and the standard deviation were of major interest to the researcher. The higher the value of the mean, the higher the service quality of Expresso. The key is as follows;

1 = Strongly disagree

2 = Disagree
3 = Not sure
4 = Agree
5 = Strongly agree

From the research, it was realized that the state of the art equipment of Expresso was appealing to the customers. The mean was 3.59 approximately 4 (agree); meaning most of the client agreed that Expresso had a good state of the art equipment for its operations.   The standard deviation was 1.011which lied between the 95% confidence limit for probability. The physical facilities at Expresso were also attractive; the mean = 3.84 (agree) and the standard deviation was 0.943 which also lied between the 95% confidence limit for probability. Appearances of frontline employees were also attractive and appealing. They were neatly and well dressed which also attracted customers. The mean was 4.19 (agree) and the standard deviation being 0.828 which was less the 2. Materials associated with the service (such as pamphlets or statements) are visually appealing at Expresso says the respondents. The mean was 3.85 (agree) and the standard deviation 0.959. Overall, the study showed that, the tangibles of Expresso were very effective. The median and mode for all the variables under tangibles were 4 (agree). The tangibles make customers feel proud to be associated with the Expresso brand and maintaining or improving upon it will help instill some pride in the customers by associating with the Expresso brand. Expresso was very sincere in handling customer complaints says the respondents. According to the customers when they have a problem, Expresso shows a sincere interest in solving it. The mean was 4.11 (agree) and the standard deviation being 0.873 which lied between the 95% confidence limit for probability. The research further showed Expresso performs the service right the first time. The mean was 3.88 (agree) and standard deviation being 0.940. Expresso was also commitment to error free service (mean = 3.51 & standard deviation = 1.1). In all, the study showed that, Expresso was very reliable. The median and mode for all the variables under reliability were 4 (agree). Expresso's reliability helps in instilling confidence in its customers. Once customers have confidence in a brand it becomes easy for them to encourage others to patronise the brand. Expresso must therefore take advantage of this by formulating strategies that will encourage customers to want to introduce the brand to others. Employee behavior at Expresso instills confidence in the customers. The mean was 4.08 (agree) with the standard deviation being 0.803 which lied between the 95% confidence limit for probability. Customers are assured of safety during transaction with Expresso (mean = 4.18 & standard deviation = 0.686). The employees in Expresso are consistently courteous towards customers. The mean was 4.29 (agree) with the standard deviation being 0.698 which less than 2. Employees in Expresso are also well equipped with knowledge to answer customers' questions (mean = 4.21 & standard deviation = 0.752).

In summary, the study showed that, the assurance with the service delivery at Expresso was high. The median and mode for all the variables under assurance were 4 (agree). This is very good for Expresso and it should be maintained. Training programs should be organized for frontline staff to be able to maintain or improve on assurance dimension. The research showed that Expresso has operating hours convenient to all its customers. The mean was 4.06 (agree) and standard deviation was 0.621 which lied between the 95% confidence limit for probability. Expresso had employees who give personal attention to customers (mean = 4.20 & standard deviation = 0.727). Expresso had the interest of its customers at heart. The mean was 4.11 (agree) and the standard deviation was also 0.758. The employees of Expresso understood the specific needs of its clients (mean = 4.11 & standard deviation = 0.740). Generally, the study showed that, Expresso had empathy for its customers. The median and mode for all the variables under empathy were 4 (agree). Every customer wants to be given the maximum attention and have their needs met in a very convenient way and it is very good that Expresso has this on point. Expresso should take advantage of this and let it play in their advertisement to serve as an attractive tool for potential customers. From the survey, it was realized that the employees of Expresso tell customers exactly when the services will be performed. Customers are informed about the time of service (mean = 4.02 & standard deviation = 0.741). Employees in Expresso give prompt services to its clients. The mean was 4.08 and the standard deviation being 0.720 which lied between the 95% confidence limit for probability. It was also discovered that employees in Expresso are always willing to help customers (mean = 4.25 & standard deviation = 0. 707). Employees in Expresso are never too busy to respond to customer request. To sum it, the study showed that, Expresso was responsive to its client. The median and mode for all the variables under responsiveness were 4 (agree). In this fast paced world, promptness is key and for customers of Expresso to agree that Expresso is responsive is very commendable. Efforts should be made to further improve on this dimension.

5.2 CUSTOMER LOYALTY

The table 6 in Annexure provided information about the mean, mode, standard deviation, the minimum and maximum values (range of scores) for the specific questions posed related to the customer loyalty at Expresso. The mean and the standard deviation were of major interest to the researcher. The higher the value of the mean, the higher the loyalty of Expresso customers. The key is as follows;

1 = Strongly disagree
2 = Disagree
3 = Not sure
4 = Agree
5 = Strongly agree

The satisfaction of a client determines how loyal he/she would be to the organization. From the research, it was discovered that clients of Expresso were satisfied with the services provided and they are willing to recommend Expresso to other potential users or friends. Word-of-Mouth is an effective communication tool for the success of any business; those who are aware of this use it strategically. People turn to believe friends or family members and what they say more because they are closer to them and trust their judgment. When you therefore have customers who are willing to bring people on board, then you are at an advantage. The mean for this item was 4.14 which is approximately 4 (agree) and the standard deviation being 0.711which laid between the 95% confidence limits for probability. Satisfied customers are willing to make repurchase of a particular product. This was evident at Expresso as the clients agreed to repurchase many services of Expresso (mean = 4.13 & standard deviation = 0.709). Aside just making recommendation, the customers are also in the position of encouraging friends and relatives to use Expresso. The mean was 4.17 (agree) and the standard deviation being 0.665. Overall, the customers of Expresso assessed the company's performance as strong with the mean being 4.07 (agree) and standard deviation 0.693. The customers interviewed consider Expresso as the first choice when it comes to telecom services. Another mark of a satisfied customer is the willingness to stay with one service provider over a period of time. Expresso customers are not exempted from this; they are willing to make continuous use of Expresso services.

5.3 THE IMPACT OF SERVICE QUALITY ON CUSTOMER LOYALTY

In Bivariate Correlations, the relationship between two variables is measured. The degree of relationship (how closely they are related) could be either positive or negative. The maximum number could be either +1 (positive) or -1 (negative). This number is the correlation coefficient. A zero correlation indicates no relationship.

Interpretation correlation coefficient r

➤ Strong correlation: $r > .70$ or $r < -.70$
➤ Moderate correlation: r is between .30 and .70 or r is between -.30 and -.70
➤ Weak correlation: r is between 0 and .30 or r is between 0 and -.30

If the Sig (2-Tailed) value is greater than .05,
It can be concluded that there is no statistically significant correlation between the two variables. That means, increases or decreases in one variable do not significantly relate to increases or decreases in the second variable.

However, if the Sig (2-Tailed) value is less than or equal to .05,
It can be concluded that there is a statistically significant correlation between the two variables. That means, increases or decreases in one variable do significantly relate to increases or decreases in the second variable. The table 7 in Annexure shows the relationship between the satisfaction of customers with regard to the service quality of Expresso and its relationship with the attributes of a loyal customer. From the research, it was realized that

there was a negative correlation between the satisfaction of customers with service quality and the numbers of years spent with the organization. This means that, those who have being customers of Expresso for a long time turn to get dissatisfied with their service quality. All things being equal, the more satisfied customers are, the more likely they are to repurchase the company's product. The relationship between these 2 variables was moderate. The r value was .372 which was between .30 and .70 (moderate correlation). For the sake of consistency, the question was rephrased as 'continuous use of Expresso service' of which the results showed a positive relationship as well. Loyal customers are more likely to recommend Expresso to other people (friends and family). The relationship between the satisfaction of customers and the willingness to recommend the product was moderate ($r = .396$). The survey also showed that there was a positive relationship between customer satisfaction with service quality and the perception of Expresso's performance. Customers who were more satisfied considered the performance of Expresso to be strong. The relationship however was moderate ($r = .440$). There was also a moderate relationship between the choice of Expresso as first choice for telecom service and the satisfaction with their service quality. The r value was .505. This means others in the industry. Overall assessment of the results above shows that there was a relationship between the satisfaction with the service quality of Expresso and the loyalty of its customers. The higher the service quality, the more loyal customers become. This section is where you will be presenting the actual results of the analysis that you have made based on your chosen methodology.

6. DISCUSSION

6.1 Service Quality at Expresso

The outcome of the findings showed that, Expresso has an excellent customer service policy. This was evident in the assessment of respondents on the five dimensions of SERQUAL -Tangibles, Reliability, Assurance, Empathy and Responsiveness-as strong.

Tangibles: The physical facilities at Expresso were attractive to customers; the mean = 3.84 (agree) and the standard deviation was 0.943 which also laid between the 95% confidence limit for probability. Appearances of frontline employees were also attractive and appealing. They were neatly and well dressed which also attracted customers. The mean was 4.19 (agree) and the standard deviation being 0.828 which was less the 2.

Reliability: According to the customers when they have a problem, Expresso shows a sincere interest in solving it. The mean was 4.11 (agree) and the standard deviation being 0.873 which lied between the 95% confidence limit for probability.

Assurance: Employee behaviour at Expresso instils confidence in the customers. The mean was 4.08 (agree) with the standard deviation being 0.803 which lied between the 95% confidence limit for probability.

Customers are also assured of safety during transaction with Expresso (mean = 4.18 & standard deviation = 0.686).

Empathy: Expresso had employees who give personal attention to customers (mean = 4.20 & standard deviation = 0.727). Expresso had the interest of its customers at heart. The mean was 4.11 (agree) and the standard deviation was also 0.758.

Responsiveness: Employees in Expresso give prompt services to its clients. The mean was 4.08 and the standard deviation being 0.720 which lied between the 95% confidence limit for probability. It was also discovered that employees in Expresso are always willing to help customers (mean = 4.25 & standard deviation = 0. 707).

6.2 Customer Satisfaction at Expresso

The survey conducted showed that, on the whole, customers of Expresso were very satisfied with the services provided. This was made known through the responses given as 37% of them strongly agreed that they were satisfied with the services of Expresso. 58% also agreed that they were satisfied with the services of Expresso. Only 3% of the customers interviewed were indifferent and 2% also strongly disagreeing that they were satisfied with the service of Expresso.

6.3 Customer Loyalty at Expresso

Aside just making recommendation, the customers are in the position of encouraging friends and relatives to use Expresso. The mean was 4.17 (agree) and the standard deviation being 0.665. Overall, the customers of Expresso assessed the performance the company as strong with the mean being 4.07 (agree) and standard deviation 0.693. The customers interviewed considered Expresso as the first choice when it comes to telecom services. Another mark of a satisfied customer is the willingness to stay with one service provider over a period of time. Respondents demonstrated their loyalty through their willingness to make continuous use of Expresso services.

6.4 Relationship between service quality and customer loyalty

The study showed that loyal customers are more likely to recommend Expresso to other people (friends and family). The relationship between the satisfaction of customers and the willingness to recommend the product was moderate ($r = .396$).

The survey also showed that there was a positive relationship between customer satisfaction with service quality and the perception of Expresso's performance. Customers who were more satisfied considered the performance of Expresso to be strong.There was also a moderate relationship between the choice of Expresso as first choice for telecom service and the satisfaction with their service quality. The r value was .505. This means others in the industry.Overall assessment of the results above shows that there was a relationship between the satisfaction with the service quality of Expresso and the loyalty of its customers. The higher the service quality, the more loyal customers become.

7. CONCLUSION

The study sought to ascertain the impact of service quality delivery on customer loyalty of Expresso Telecom Ghana, Kumasi. To understand the research, issues in the study and to place significant literature in the perspective, as well as generalize the study to some extent, a review of related literature was made. The finding of the study showed that customers of Expresso were very satisfied with services provided and this made them loyal to the company. It was found out that, all the aspects of service quality-Tangibles, Reliability, Assurance, Empathy and Responsiveness- were strong. This led to the satisfaction of the customers as the majority interviewed said they were satisfied with the service provided. And aside just making recommendation, the customers are in the position of encouraging friends and relatives to use Expresso.In drawing conclusions to this study, the researcher recognizes that some further research needs to be done in order to draw concrete conclusions on some issues relevant to service quality. These include, but not limited to the following:

i.   Assessing Service Quality gap in the telecommunication industry in Ghana.

ii.   The effect of re-branding on consumer purchase decisions in the telecom industry.

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ANNEXURE

Table 1. Tangibles				
		State of the Art equipment of Expresso	Physical facilities	Appearance of frontline employees	Appearance of materials
N	Valid	137	141	144	143
	Missing	13	9	6	7
Mean		3.59	3.84	4.19	3.85
Median		4.00	4.00	4.00	4.00
Mode		4	4	4	4
Std. Deviation		1.011	.943	.828	.959
Minimum		1	1	1	1
Maximum		5	5	5	5

Source: Field Survey, 2012.

Table 2. Reliability				
		Sincerity in addressing customer problems	First impression in getting service right	Commitment to error free service by Expresso
N	Valid	142	140	143
	Missing	8	10	7
Mean		4.11	3.88	3.51
Median		4.00	4.00	4.00
Mode		4	4	4
Std. Deviation		.873	.940	1.100
Minimum		1	1	1
Maximum		5	5	5

Source: Field Survey, 2012.

Table 3. Assurance

		Employee behaviour in instilling confidence	Customer's assurance of safety of transaction	Courtesy towards customers	Employees' knowledge in answering questions
N	Valid	144	144	143	142
	Missing	6	6	7	8
Mean		4.08	4.18	4.29	4.21
Median		4.00	4.00	4.00	4.00
Mode		4	4	4	4
Std. Deviation		.803	.686	.698	.752
Minimum		1	1	1	1
Maximum		5	5	5	5

Source: Field Survey, 2012.

Table 4. Empathy

		Convenience of operating hours to customer	Personal attention to customers	Interest of customers at heart	Understanding customers' specific needs
N	Valid	142	142	139	140
	Missing	8	8	11	10
Mean		4.06	4.20	4.11	4.11
Median		4.00	4.00	4.00	4.00
Mode		4	4	4	4
Std. Deviation		.621	.727	.758	.740
Minimum		1	1	1	1
Maximum		5	5	5	5

Source: Field Survey, 2012.

Table 5. Responsiveness

		Customers are informed about the time of service	Promptness of service	Willingness to help customers	Response to customer request
N	Valid	141	144	143	142
	Missing	9	6	7	8
Mean		4.02	4.08	4.25	4.18
Median		4.00	4.00	4.00	4.00
Mode		4	4	4	4
Std. Deviation		.741	.720	.707	.648
Minimum		1	1	1	1
Maximum		5	5	5	5

Source: Field Survey, 2012.

Table 6. Customer Loyalty

		Recommending Expresso to other people	Likelihood of repurchase	Encouraging friends and relatives to use Expresso	Assessment of performance of Expresso	Selecting Expresso as first choice for telecom service	Continuous use of Expresso service
N	Valid	142	141	141	141	140	140

	Missing	8	9	9	9	10	10
Mean		4.14	4.13	4.17	4.07	4.16	4.31
Median		4.00	4.00	4.00	4.00	4.00	4.00
Mode		4	4	4	4	4	4
Std. Deviation		.711	.709	.665	.693	.732	.576
Minimum		1	2	2	2	1	2
Maximum		5	5	5	5	5	5

Source: Field Survey, 2012.

Table 7: The impact of service quality on customer loyalty

Attributes of loyal customers	Satisfaction with service quality	
	Pearson Correlation r	Sig. (2-tailed)
Number of years with Expresso	-.191	.041
Likelihood of repurchase	.372	.000
Continuous use of Expresso service	.348	.000
Encouraging friends and relatives to use Expresso	.396	.000
Assessment of performance of Expresso	.440	.000
Selecting Expresso as first choice for telecom service	.505	.000

Source: Field Survey, 2012.