

**THE IMPACT OF SERVICE QUALITY ON CUSTOMER SATISFACTION  
OF TELECOMMUNICATION SERVICES IN ERAVUR PATTU  
CHENKALADY DIVISION OF BATTICALOA**



**By**

**Mr. A. Sathees**

**EU/IS/2013/MS/61**

**MS1591**



Project Report  
Library - EUSL

**DEPARTMENT OF MANAGEMENT  
FACULTY OF COMMERCE AND MANAGEMENT  
EASTERN UNIVERSITY OF SRILANKA**

## ABSTRACT

Along with globalization, new technologies are introduced to the telecommunication industry in order to enhance service quality which is consequential to attract and retain rational customers. Previously many researchers focused on the concept of service quality and customer satisfaction in Sri Lanka. However, researchers saw that measurements of service quality are different from country to country. Hence, research findings of different other countries could not be generalized to Sri Lankan context. Thus, there is a requirement to research the impact of service quality on customer satisfaction of telecommunication service in Sri Lanka in order to enhance the customer satisfaction.

This study is mainly considering primary data. The primary data were collected through closed structured questionnaire from 200 respondents in Eravur Pattu Chenkalady Division of Batticaloa. The collected data were analyzed by using, univariate, correlation and regression analysis.

This study aim to investigate the impact of tangibility, reliability, responsiveness, assurance and empathy on customer satisfaction

Results revealed that the major dimensions of service quality which impact on customer satisfaction are empathy, tangibility and reliability. Other dimensions are responsiveness and assurance do not impact on customer satisfaction. And, this research revealed that there is positive relationship between service quality and customer satisfaction in telecommunication in Telecommunication Service.

Consequently, these research findings have provided some useful insight and feedback to Telecommunication service providers in the future.

**Key words:** Service Quality, Customer Satisfaction, Technology Acceptance Model (TAM), Telecom, Service Provider

# LIST OF CONTENTS

<b>ACKNOWLEDGEMENT</b> .....	<b>i</b>
<b>ABSTRACT</b> .....	<b>ii</b>
<b>LIST OF CONTENTS</b> .....	<b>iii</b>
<b>LIST OF TABLES</b> .....	<b>viii</b>
<b>LIST OF FIGURE</b> .....	<b>x</b>
<b>Chapter-1 Introduction</b> .....	<b>1-7</b>
1.1 Background of the Study.....	1
1.2 Research Problem.....	3
1.3 Research Question.....	4
1.4 Research Objectives .....	4
1.5 Significant of the Study.....	5
1.6 Scope of the Study.....	5
1.7 Chapter Organizations.....	6
1.8 Chapter Summary.....	7
<b>Chapter – 2 LITERATURE REVIEW</b> .....	<b>8-25</b>
2.1 Introduction .....	8
2.2 Service Quality .....	8
2.2.1 Service .....	8
2.2.2 Quality .....	9
2.2.3 Service Quality .....	10
2.3 Dimention of Service Quality .....	13
2.3.1 Tangibles .....	13
2.3.2 Reliability .....	14
2.3.3 Responsiveness.....	14
2.3.4 Assurance.....	15
2.3.5 Empathy .....	15

2.4 Customer Satisfaction .....	16
2.5 Relationship between Service Quality and Customer Satisfaction .....	23
2.6 Chapter Summary .....	25
<b>Chapter – 3 CONCEPTUALIZATION AND OPERATIONALIZATION ..</b>	<b>26-32</b>
3.1 Introduction .....	26
3.2 Conceptualization.....	26
3.3 Conceptual Framework .....	26
3.4 Definition of Key Concept and Variables .....	27
3.4.1 Service Quality .....	27
3.4.2 Dimensions of Service Quality .....	27
3.4.3 Customer Satisfaction.....	29
3.5 Operationalization .....	30
3.6 Chapter Summary .....	32
<b>Chapter – 4 RESEARCH METHODOLOGY .....</b>	<b>33-40</b>
4.1 Introduction .....	33
4.2 Research Philosophy .....	33
4.3 Research Approach .....	34
4.4 Research Strategy .....	34
4.5 Time Horizon .....	35
4.6 Type of Study .....	35
4.7 Data Collection Methods.....	36
4.8 Population & Sample Size.....	37
4.9 Methods of Data Analysis .....	37
4.9.1 Reliability and Validity Analysis .....	37
4.9.2 Univariate Analysis .....	38
4.9.3 Bivariate Analysis.....	39
4.9.3.1 Correlate Analysis.....	39

4.10 Chapter Summary.....	40
<b>Chapter – 5 DATA PRESENTATION AND ANALYSIS .....</b>	<b>41-56</b>
5.1 Introduction .....	41
5.2 Reliability Analysis.....	41
5.3 Data Presentation for Personal Information.....	42
5.3.1 Gender .....	42
5.3.2 Frequency Distribution of Age .....	42
5.3.3 Frequency Distribution of Educational Qualification .....	43
5.3.4 Frequency Distribution of Occupation Sector.....	44
5.3.5 Frequency Distribution of Income.....	44
5.3.6 Frequency Distribution of preferred usage.....	45
5.3.7 Frequency Distribution of Current Service provider(s) and how long have been with these service providers.....	45
5.3.8 Frequency Distribution to the Main Reason of using telecommunication service.....	46
5.4 Data Presentation and Analysis of Research Objectives.....	46
5.4.1 Research Objective 1: to identify the level of service quality, and customer satisfaction of telecommunication Services .....	46
5.4.2 Research Objective 2: to determine the relationship between tangibility, reliability, responsiveness, assurance and empathy on customer satisfaction regarding usage of telecommunication Services .....	52
5.4.2.1 Relationship between Service Quality and Customer Satisfaction .....	52
5.4.3 Research Objective 3: to determine the Impact of tangibility, reliability, responsiveness, assurance and empathy dimension of service quality impact on customer satisfaction of telecommunication services .....	54
5.6 Chapter Summary.....	56
<b>Chapter – 6 FINDINGS AND DISCUSSION.....</b>	<b>57-65</b>
6.1 Introduction .....	57

6.2 Discussion about Personal Information.....	57
6.2.1 Gender .....	57
6.2.2 Age.....	57
6.2.3 Education.....	57
6.2.4 Occupation Sector.....	58
6.2.5 Income .....	58
6.2.6 Preferred usage .....	58
6.2.7 Current Service provider and how long have been with these service providers .....	58
6.2.8 Main Reason of using telecommunication service .....	59
6.3 Discussion: Objective One .....	59
6.3.1 Overall Level of Customer Satisfaction .....	59
6.3.2 Overall Level of Tangibility .....	59
6.3.3 Overall Level of Reliability .....	60
6.3.4 Overall Level of Responsiveness .....	60
6.3.5 Overall Level of Assurance .....	61
6.3.6 Overall Level of Empathy .....	61
6.4 Discussion: Objective Two .....	61
6.4.1 Relationship between Service Quality and Customer Satisfaction .....	61
6.4.2 Relationship between Service Quality dimension Influence Factors and Customer Satisfaction.....	62
6.5 Discussion: Objective Three .....	64
6.4 Chapter Summary.....	65
<b>Chapter – 7 CONCLUSION AND RECOMMENDATIONS.....</b>	<b>66-69</b>
7.1 Introduction .....	66
7.2 Conclusion.....	66
7.2.1 Conclusions of Objective One.....	66
7.2.2 Conclusions of Objective Two .....	66

7.2.3 Conclusions of Objective Three .....	67
7.3 Contribution of this Study .....	67
7.4 Recommendations .....	68
7.5 Limitation of the Study .....	69
7.5 Direction for Future Studies .....	69
<b>List of References .....</b>	<b>70</b>
<b>Appendix – A .....</b>	<b>80</b>
<b>Appendix – B .....</b>	<b>84</b>
<b>Appendix – C .....</b>	<b>85</b>
<b>Appendix – D .....</b>	<b>87</b>
<b>Appendix – E .....</b>	<b>91</b>