EFFECT OF SERVICE QUALITY ON CUSTOMER LOYALTY IN THE NIGERIAN TELECOMMUNICATION INDUSTRY

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Abstract
The most critical challenge that manufactures or service providers face in today competitive and turbulent business environment is how to keep loyal customers who will contribute long-term profit to organizations that will ensure their survival and growth. This study therefore assesses the effect of service quality on customer loyalty in Nigeria telecommunication industry. In order to achieve this objective, the study employed both quantitative and qualitative method of data collection, interpretation and analysis. It makes use of multiple regression and descriptive statistics for interpretation and analysis of data collected. Findings from the research work reveal that all the service quality dimensions: reliability, responsiveness, tangibility, assurance and empathy are statistically significant predictors of variation of customer loyalty in the telecom industry. Furthermore, it equally showed that of the five dimensions of service quality, reliability is the most influential predictor of customer loyalty followed by responsiveness, assurance, tangibility and empathy in that order. It was therefore, concluded that a clearer understanding as to the sequence of relationship between service quality and customer loyalty can enhance effective customer targeting using limited marketing resources. It was based on this backdrop that the study recommends among other things that telecom operators should focus on service quality for the purpose of customer retention and building customer loyalty. Also, frequent customer survey should be conducted to understand customer expectations of service delivery. These expectations should be translated into service standards and then communicated at all levels of the organizational hierarchy. In particular, strong communication channels need to be established with frontline staff so that they are fully aware of customer service expectations.

Key Words: Service Quality, Customer Loyalty, Telecommunication Industry

M. Business Administration

1.   Introduction

The fierce competition portraying today's business environment requires a business enterprise to build a stronger business-customer relationship that generates mutual rewards for both the business and its customers. As the competitive environment grows more turbulent, the biggest issue facing manufacturers or service providers is no longer providing good quality, excellent products or services, but maintaining loyal customers who will contribute long-term profits to the Organizations (Tseng, 2007). To compete in such a competitive and interactive market, marketers are forced to look beyond traditional 4Ps of marketing strategy to gain a competitive advantage. Therefore, service quality among other marketing strategies has become an alternative means for organizations to build strong and continues partnerships with their customers.

In the current telecom services scenario it is obvious that mobile operators gain competitive advantage by rendering efficient service and thereby enhancing customer relationship. It is pivotal for all players in the telecom service industry to understand the needs of the customer and customize services based on their needs. This in turn will pave way for achieving customer loyalty to a larger extent. Service quality is one of the most

important factors that affect customer loyalty. Both concepts have strong impact on business performance and customer behavior.

For decades, it has been a common belief that success in the marketplace depend on organizations' ability to create loyal customers through quality service and in fact, most scholars argued that the creation of a loyal customer was the fundamental core of any businesses (Arnold et al., 2005 & Drucker, 1973). Because of the recognized importance of customer loyalty, it has been a topic that has generated substantial attention among academicians and practitioners. Emphasis on customer loyalty often stems from the thought that keeping current customers is much less expensive than attempting to attract new customers.

Quality equally has attracted the attention of practitioners and academicians over the years but mostly in the manufacturing sector at the first stage. However, the importance of quality for business performance in service sector has also been widely recognized in the literature through the great impacts on different dimensions of business performance measurement.

To study service quality, several measurement frameworks were established such as Technique and functional quality model Gronroos (1984), SERVQUAL (Parasuraman et al., 1985, 1988), Synthesized model of service quality (Brogowicz et al., 1990); SERVPERF (Cronin & Taylor, 1992), Antecedents and mediator model (Dabholkar et al., 2000). Based on those frameworks, researchers found the benefits of service quality to include the improvement of customer loyalty and customer retention, positive word of mouth, the decline in staff turnover and operating costs, the enlargement of market share, and the growth of profitability (Kandampully & Suhartanto, 2000; Sureshchandar et al., 2002; Kang & James, 2004; Ladhari, 2009).

Statement of Research Problem

Today, service industry, like the telecommunications industry, faces rapid and complex competition, as well as rapid changes in the business environment. This claim is in line with the statement declared by Lovelock (2004) that the service sector is the largest sector that underwent changes as a result of the rapid change experienced by other factors. The competition is exacerbated by the lower switching cost among the subscribers of the various networks, which is manifesting in the frequency with which subscribers freely enter and leave the networks. In term of financial outlay it costs subscribers as low as N100 and even some time free to acquires SIM (Subscriber Identification Module) and this make it cheaper for subscribers to transfer from one network to another. The negative effect of this is the inability of the operators to retain and make exiting customers loyal. More so, a Study on service quality and its effect on customer loyalty in an emerging economy like Nigeria can be a fruitful empirical work, which may be likely to differ from a developed economy. Furthermore, there is scanty empirical works on service quality and its effect on customer loyalty in the Nigeria telecommunication industry with particular reference to Abuja Subscribers. Therefore this study is initiated to assess the extent to which service quality impacted Customer loyalty Creation among telecom service providers in Nigeria and also to determine which of the service quality dimensions have greater effect on customer loyalty creation using the SERVQUAL instrument developed by Parasuraman et al., (1991). The SERVQUAL instrument comprised of 10 dimensions with 97 items which was later reduced to 5 dimensions with 22 items. The dimensions are tangibility, reliability, responsiveness, assurance and empathy.

Objectives of the Study

As implied from the statement of research problem, the overriding objective of this study is to examine the effects of service quality on customer loyalty in the Nigeria telecommunication industry. Also, other specific objectives of this study are outlined below:

i.   To evaluate the positive and significant effect of tangibility of service on customers loyalty in the Nigeria telecommunication industry.

ii. To assess the significant effect of reliability of service on customer loyalty in Nigeria telecommunication industry.

iii.   To determine the positive and significant effect of responsiveness of service on customer loyalty in the Nigeria telecommunication industry.

iv.   To examine the positive and significant effect of assurance of service on customer loyalty in the Nigeria telecommunication industry.

v.   To assess the positive and significant effect of empathy on customer loyalty

Research Hypotheses

The tentative answers proffers to the above questions in form of hypotheses that will guide this research work are stated as follows:

H_1: There is no positive and significant effect of tangibility of service on customer in the Nigeria telecommunication industry.

H_2: There is no positive and significant effect of reliability of service on customer loyalty in the Nigeria telecommunication industry.

H_3: There is no positive and significant effect of responsiveness of service on customer loyalty in the Nigeria telecommunication industry.

H_4: There is no positive and significant effect of assurance of service on customer loyalty in the Nigeria telecommunication industry.

H_5: There is no positive and significant effect of empathy on customer loyalty in the Nigeria telecommunication industry.

2.0 Literature Review and Theoretical Framework

2.1 Conceptual Issues
Service quality

Service quality is a combination of two important words that is "service" and "quality". Understanding these concepts is very imperative. Service can be defined in many ways depending on which area the term is being used. According to Kotler & Keller, (2009), service is defined as "any intangible act or performance that one party offers to another that does not result in the ownership of anything". In a nutshell, service can be seen as an intangible offer by one party to another in exchange of money for pleasure. In order for a company's offer to reach the customers there is a need for services. These services depend on the type of product and it differs from

one organization to another. Quality is one of the things that consumers look for in an offer, which service happens to be one. In the word Kotler et al., (2002,) quality is defined as the totality of features and characteristics of a product or services that bear on its ability to satisfy stated or implied needs. It is evident that quality is also related to the value of an offer, which could evoke satisfaction or dissatisfaction on the part of the user.

Service quality in the management and marketing literature is the extent to which customers' perceptions of service meet and/or exceed their expectations. About the definition and components of service quality, different scholars develop their own opinions from different angles. Parasuramn, Zeithaml& Berry (1985) pointed out that consumers' perception of service quality is the gap between the expectation of universal level service provider's performance and the real performance perception of a specific enterprise. Zeithaml (1988) defined service quality as the customers' assessment about a product overall superiority or experience while Kotler and Armstrong (2011) defined it as composed of service characteristics reflected in the ability to fulfill stated and implied needs. Patrick P. et.al (1996), see service quality as the difference between customers' expectations for service performance prior to the service encounter and their perceptions of the service received. Service quality is therefore what the customer gets out and is willing to pay for" rather than "what the supplier puts in. Conceptually, it is the difference between the perceived services expected performance and perceived service actual performance. Hence, delivering superior service quality to customers in is very essential and important due to the stiff competition in the market.

One of the key factors that enable firms to gain a lasting competitive advantage in today's constantly changing business environment is providing a superior service quality through an adequate and a strong focus on customers. For this, nowadays marketers/managers, according to R. Ladhari (2011), are trying to focus more on a continuous monitoring and evaluation of service quality, involving various innovative offerings and service developments, which have a direct influence on

customers' service experiences. Because, for instance, better service quality increases perceived service value and satisfaction; improves the service provider's customer retention and financial performance; and also enhances a firm's corporate image (Nguyen and Leblanc, 1998).

Different studies in the telecommunication industry have shown that service quality is a significant condition to delivering superior experience (Akbaba, 2006; Wu & Ko, 2013). The telecoms that offer good service quality can improve their profitability (Oh and Parks, 1997; Seth et al., 2005) and retain their customers. It is considered an important antecedent of other behaviour variables as repeat purchase and brand loyalty (Wilkins et al., 2007; Zehir et al., 2011). Customers perceived service quality varies from one to another due to different aspects of service quality. Service quality is judged by the customers, and it depends on how the customers approach the service, because the starting point of using a service is the basis of their perceptions. Quality of a service is achieved when a service provider satisfies or exceeds their consumers expected service, which consequently leads to customer loyalty. Accordingly, customers' expectations serve as the foundation on which service quality will be evaluated by customer. In addition, as service quality increases, satisfaction with the service and intentions to reuse the service increases

Measurement of Service Quality
The aim of providing quality services is to satisfy customers. Measuring service quality is a better way to dictate whether the services are good or bad and whether the customers will or are loyal with it. Service quality is the expected and perceived quality of all the services an organization offers. Quality is necessary for organizations that sell physical products that are manufactured as well as organizations that only sell services. Without quality, it is nearly impossible to achieve customer loyalty. A quality good or service performs precisely according to specifications that will satisfy customers. Consequently, quality contributes to customer loyalty Gilbert& Gary (1999). Various scales and indexes to measure service quality such as Technical and Functional Quality model (Gronroos, 1984), SERVQUAL (Parasuraman et al., 1985, 1988), Synthesized model of service quality

(Brogowicz et al., 1990); SERVPERF (Cronin & Taylor, 1992), Antecedents and mediator model (Dabholkar et al., 2000) have been developed and extensively used by academics and practitioners. Among them, SERVQUAL is often considered as the most commonly applied in a numerous empirical studies across various service industries and in many countries. This study therefore adopted the SERVQUAL model.

The SERVQUAL instrument has become the most dominant instrument for measuring service quality and it originally comprises 10 dimensions with 97 items but later reduced to 5 dimensions with 22 items in 1991. The five dimensions are tangibles, reliability, responsiveness, assurance and empathy.

Tangibles entail the physical evidence of the service. Specifically, the concept explores the physical facilities of the service provider, the appearance of personnel, the tools and equipment used to provide the service including other customers in the service facility. Tangibles are used by firms to convey image and signal quality (Zeithamal et al, 2006).

Reliability measures the consistency of performance and the dependability of the service. According to Zeithaml et al. (2006) reliability is "the ability to perform the promised service dependably and accurately" or "delivering on its promises" Does the firm perform the service right at the first time? Does the firm honours it promises? These are some of the questions which need to be answered by service providers if they are to achieve reliability. The accuracy in billing, proper record keeping and performing the service at the designated time all constitute an attempt to achieve reliability.

Assurance entails the knowledge and courtesy of employees and their ability to convey trust and confidence. It also includes competence, courtesy, credibility and security. Andaleeb and Conway (2006) noted that assurance may not be so important relative to other industries where the risk is higher and the outcome of using the service is uncertain. For instance, in the medical and healthcare industry, assurance is an important dimension that customers used as criteria in

assessing a hospital or a surgeon for an operation. The trust and confidence may be represented in the personnel who connect the customer to the organization (Zeithaml et al., 2006).

Responsiveness concerns the willingness or readiness of employees to provide service (Parasuraman et al., 1985). This dimension is concerned with dealing with the customer's requests, questions and complaints promptly and attentively. A firm is known to be responsive when it communicates to its customers how long it would take to get answers or have their problems dealt with. To be successful, companies need to look at responsiveness from the view point of the customer rather than the company's perspective (Zeithaml et al., 2006).

Empathy entails caring and provision of individualized attention to customers by personnel of the firm (Zeithaml et al., 2006). In this respect, the customer feels unique and special. In an attempt to develop empathy, personnel of the firm should endeavour to know the names of their customers, their preferences and needs and take steps to satisfy them. Small Scale enterprise

Customer Loyalty

Customer loyalty has no universally accepted single definition; but academicians have tried to define customer loyalty in different dimensions. Customer loyalty according to Day (1969) refers to "a favorable attitude towards a brand in addition to buying it several times". According to Jacoby and Kyner (1973) customer loyalty is defined as biased (i.e. non-random) behavioral response (i.e. purchase), expressed over time, by a unit of decision-making, with respect to one or more alternative brands of a set of these brands and is a function of psychological processes (ie, decision-making, assessment) ". Jones and SasserJr (1995) believed that customer loyalty is "a feeling of attachment or affection for the people, products or services of a business".

Loyalty in the service sector, like the telecommunications sector, has been considered by many to be essential to the existence of a product or service and to obtaining a competitive advantage. (Auka, 2012). Oliver (1997) defined customer loyalty as a deep commitment to buy

back or re-visit a preferred product in the future despite situational influence and marketing efforts that have the potential to cause behavior change and to recommend the product to friends and associates. Gremler and Brown 1996 (as cited in Gremler & Brown 1998) defined customer loyalty as the degree to which a customer exhibits repeat buying behavior from a service provider, has a positive attitude towards the provider, and considers to use this supplier only when the need arises. This shows how important customer loyalty is to the survival of service providers. Touzani and Temessek (2009) found that the reason why researchers emphasize doing the right thing the first time in the service sector is very crucial, as the first impression of using a service lasts a long time and is very difficult to change. For the first time in the service sector, Rai and Srivastava (2012) stated that customer loyalty is more noticeable in the service sector because there is greater human participation compared to manufacturing industries. There is little room for error when it comes to service delivery, due to the nature of the intangibility of services which makes it important for organizations to get it right the first time.

Customer loyalty is an important concept for all organizations (Dib and Al-msallam, 2015; Bagram and Khan, 2012; Ganiyu, Uche and Elizabeth, 2012) because it determines the viability and sustainability of all organizations (Rasheed and Abadi, 2014). While building consumer loyalty to an organization is not an easy task, it plays an important role in helping organizations gain and maintain a competitive advantage (Bagram and Khan, 2012). Maintaining and building customer loyalty is a key factor that helps service organizations achieves lasting success. Organizations with many loyal customers perform wonderfully than organizations with less loyal customers. This can be said because, according to Rasheed and Abadi (2014), customer loyalty can help improve business revenues and, ultimately, profit margins while reducing expenses (Bagram and Khan, 2012). Companies can barely survive without having a large group of customers (Touzani & Temessek, 2009; Setiowati & Andradea, 2012; Ganiyu, Uche& Elizabeth, 2012). Retaining existing customers is less costly than attracting a new customer (Ndubuisi, 2006). In this study,

customer loyalty is a situation in which service providers' subscribers continually frequent a service provider; recommend service providers to others and where the preference of subscribers for their service providers does not change voluntarily.

The Relationship between Service Quality and Customer Loyalty

Past researches on service quality and customer loyalty have proven that customer loyalty and service quality are related from their definitions to their relationships with other aspects in business. Customer loyalty has been considered to be based on the customer's experience on a particular service encounter, (Cronin & Taylor, 1992) it is in line with the fact that service quality is a determinant of customer loyalty, because service quality comes from outcome of the services from service providers in organizations. Definitions of consumer satisfaction relate to a specific transaction (the difference between predicted service and perceived service) in contrast with attitudes, which are more enduring and less situational-oriented, (Lewis, 1993).

Regarding the relationship between customer loyalty and service quality, Oliver (1993) first suggested that service quality would be antecedent to customer loyalty regardless of whether these constructs were cumulative or transaction-specific. Some researchers have found empirical supports for the view of the point mentioned above (Anderson & Sullivan, 1993; Fornell et al 1996; Spreng & Macky 1996); where customer loyalty came as a result of service quality. In relating customer loyalty and service quality, researchers have been more precise about the meaning and measurements of satisfaction and service quality. Wilson et al., (2008) opined that satisfaction and service quality have certain things in common, but satisfaction generally is a broader concept, whereas service quality focuses specifically on dimensions of service. Although it is stated that other factors such as price and product quality can affect customer loyalty, perceived service quality is a component of customer loyalty (Zeithaml et al. 2006,). This theory complies with the idea of Wilson et al. (2008) and has been confirmed by the definition of customer loyalty presented by other researchers.

Many researchers have identified the relation of service quality and customer loyalty in the telecommunication industry (Gilbert, et al., 2004; Qin & Prybutok, 2008; Suneeta&Koranne, 2014) and the strong positive correlation between those constructs is a very important for those companies which have an objective to develop a good marketing strategies, and also provide competitive advantage and build loyal customers base. The concepts of service quality and customer loyalty appears in the literature as a separated constructs (Bitner, 1994; Sprenget al., 1996), sharing a close relationship (Cronin & Taylor, 1992), being necessary to identify the differences between them. The quality perceptions do not require experience with the service and its dimensions are specific while the concept satisfaction judgments require experience with the service or provider and also can result from any dimension, not even related to quality.

In a highly competitive environment such as telecommunication industry, companies in this industry act in a different way than usual, it means, they have started to taking efforts on understanding customer needs based on relationship between service quality and customer loyalty (Reichheld & Sasser, 1990). In the industry provide high standard of quality and improve customer loyalty has been recognized as a crucial factors responsible to push up the performances of firms and also can improve their profitability (Oh & Parks, 1997; Oppermann, 1998; Dominici & Guzzo, 2010). Currently, managers have faced the challenge in the telecommunication industry to provide and maintain the customer loyalty. This management approach based in provide product and service with high standard of quality focusing in customer loyalty can result in positive brand image, loyalty, reduce the price perception by customers and increase profitability (Dominici &Guzzo, 2010).

2.2 Empirical Review

Atul (2017) examined the effects of service quality dimensions on customer satisfaction and loyalty in the Ghana telecommunications industry. Service quality, customer satisfaction and service loyalty were measured using a 5-point rating scale from the literature. Exploratory factor analyzes, confirmatory factor analyzes, and structural equation modeling was

performed to examine the effects of service quality on customer satisfaction and loyalty. The results of the study revealed that not all dimensions of service quality affect customer satisfaction and service loyalty. Only empathy and reliability have a significant effect on customer satisfaction, while empathy, security, responsiveness and tangibility have a significant effect on customer loyalty. When it comes to mediation, customer satisfaction is partly in between empathy and customer loyalty.

Vithya (2016) studied the relationship between the dimensions of service quality and customer loyalty in Sri Lankan commercial banks. Data collected from 300 clients of four large commercial banks through questionnaires. In addition, five hypotheses were formulated for the study. The results revealed that three dimensions of service quality, namely tangibility, reliability and empathy, have a significant positive effect on customer loyalty. Other dimensions of service quality alone explain 43.9% of the variation in customer loyalty. This study is conducted in commercial banks in Sri Lanka, while the present study is conducted using the telecommunications industry in Nigeria as a case study.

Archi & Srivastava (2016) conducted a study on the impact of quality of service on customer relationship management and customer loyalty in the Indian telecommunications sector. In this study, five antecedents of service quality were considered, viz. empathy, security, responsiveness, tangibility and reliability according to the SRVQUAL model. An inquiry-based exploratory and causal research design was used. A 29-item instrument was generated, comprising 18 items for the antecedents of the four independent variables; 6 elements for customer relationship management and 5 elements for customer loyalty. The data was collected from 262 customers using the mobile service of various Indian telecom operators through structured questionnaires distributed online. Exploratory factor analysis was performed to check validity and Cronbach's alpha coefficient was used to determine the reliability of the instrument. Multiple regression analysis was used to determine the causal relationship between the independent and dependent variables. The results showed that the quality of service has a significant and positive

impact on customer relationship management and customer loyalty. Among the four antecedents of service quality, tangibility and assurance have a significant and positive impact on customer relationship management, while tangibility has a significant impact on customer retention.

Iddrisua, .Noonib, Fiankoc and Mensahd (2015) studied the relationship between quality of service and customer loyalty in the Ghanaian cellular industry. The SERVQUAL model was used to measure the relationship between quality of service and customer loyalty among cellular service providers, with customer satisfaction mediating between these variables. The survey questionnaire was used to collect 311 data from mobile users who are subscribed to 5 of the major mobile phone companies in metropolitan Accra, Ghana. Data were analyzed by correlation analysis and multiple regressions. The results revealed that service quality variables such as tangible, responsiveness, reliability, security and empathy have a positive influence on customer loyalty through customer satisfaction. The result also revealed that customer satisfaction is directly related to customer loyalty.

Paul and James (2013) examined the relationship between service quality and customer loyalty in the mobile telecommunications services sector in Kenya. The study adopted the SERVQUAL model. Kenyatta University students from five of its campuses were selected for the study population. Pearson's product-moment correlation coefficient and regression analyzes were the parametric statistical tools used to test the association and effect in the study. A significant relationship was found between service quality and customer loyalty. The SERVQUAL model explained a significant proportion of variation in customer loyalty. In summary, the study found that service quality has a positive relationship with customer loyalty.

2.3 Theoretical Framework
Marketing and consumer behavior literature has traditionally suggested that customer loyalty is a relative concept, and is always judged in relation to a standard (Olander, 1977). Consequently, in the course of its

development, a number of different competing theories based on various standards have been postulated for explaining service quality and it effect on customer loyalty. The theories include

It is important to note that some of the posited theories have received intensive attention in the literature (for example, the Consumption Value Theory), while others have not provoked further empirical research (Oh & Parks 1997). A critical review of some of these theories postulated to explain consumer customer loyalty was undertaken, as this is important to the development of the research.

The Theory of Consumption Values

The theory was propounded by Sheth, Newman and Gross (1991). The theory focuses on consumption values. The theory explains why consumers choose to use or not to use a specific product. According to the theory, consumer choice is influenced by five values; functional value, conditional value, social value, emotional value and epistemic value. The five consumption values must not be necessarily present at the same time to influence consumer choice (Shethet al. 1991). Specific choices made by consumers may be influenced by one of the five values, and at another time, choices made by consumers might be influenced by the five values (Shethet al. 1991). The theory is based on three assumptions. Firstly, consumer choice is a function of multiple consumption values. Secondly, the consumption values make differential contributions in any given choice situation. Finally, the consumption values are independent. The consumption values mentioned here are the five values mentioned in the theory that influences consumer choice behaviour.

The relationship between service quality and customer loyalty is underpinned by the relationship between functional value and consumer choice behaviour. This can be said because the last assumption of the theory states that, consumption values are independent of each other. Functional value follows economic utility theory and assumes economic rationalism (Bødkeret al. n.d). Consumer decisions to buy or use a product or service are based on the attributes of the product or service and how

well consumers' needs are met (Tabassum, Zafar,Ali,Alam, &Ali, 2013).The dimension of functional values is described as the benefits obtained from the quality and price of a product or service (Candan, Ünal &Erciş, 2013). Researchers such as Tabassumet al. (2013) and Candanet al. (2013) found functional value to positively affect customer loyalty among consumers. This thus explains the relationship between service quality and customer loyalty.

The Value Percept Theory

The Value-Percept Disparity theory was originally formulated by Locke (1967), as an alternative to the Expectation-Disconfirmation paradigm. Criticizing the predictive expectations used as a comparison standard in the Disconfirmation paradigm, Westbrook and Reilly posited that what is expected from a product may or may not correspond to what is desired or valued in a product. Conversely, that which is valued may or may not correspond to what is expected. Thus, values have been proposed to be a better comparative standard as opposed to expectations in explaining customer loyalty/dissatisfaction. According to the value-percept theory, satisfaction is an emotional response that is triggered by a cognitive evaluative process in which the perceptions of an offer are compared to one's values, needs, wants or desires (Westbrook & Reilly, 1983).

The value-disparity was defined as the extent to which the product provides the features and performance characteristics needed or desired. The disparity was assessed on a single differential scale anchored with "provides far less than my needs" and "provides exactly what I need". The Value-Percept theory which postulates satisfaction as the fulfillment of consumer desires, values, or wants, as opposed to their expectations, has not received as much support from researchers as the EDP did in ascertaining customer loyalty with hospitality and tourism services.

The consumption value theory is adopted for the study because it best underpins the study conceptual framework.

3.0 Methodology

3.1 Research Design, Study Population, Sampling Technique and Sample Size

The study was a cross-sectional survey that was carried out in Abuja, the capital of Nigeria, this is because, Abuja being the Federal Capital Territory is the citadel of many institutions and government agencies which make it possible to have enough of subscribers of the major mobile service providers that could be selected for the study sample size.

The target population for this study consists of the entire subscribers that patronize any of the mobile service providers in Abuja. Our specific study area comprises of four major mobile service providers that is, MTN, GLObacom, AIRTEL, and 9mobile. This is because majority of customers in the telecommunication industry patronize these four mobile service providers according to Nigeria Communication Commission (NCC, 2019).

The sample size of 252 respondents was used, determined by convenience sampling. The sample consisted of the customers of the 4 major telecom companies in Abuja, including MTN, Airtel, Glo, and 9mobile.

3.2 Method of Data Collection

The main research instrument was a structured questionnaire, which had 2 sections (bio-data and research questions). The questionnaire had 5 constructs, namely customer loyalty (dependent variable) and service quality (independent variables), each had 3-5 related questions on a 5-point Likert scales with 5 point allocated to strongly agree and 1 point to strongly disagree.

Questions used in the questionnaire were collected from different literature sources and were adjusted to conform to the study objectives. 252 questionnaires were personally administered by the researcher to ensure timely filling and return. This led to majority of the questionnaire being returned. 198 of the questionnaires were correctly filled and returned, translating into 84 per cent response rate. The data for the study was analyzed using the SPSS 26.0 computer software. The hypotheses were tested with multiple regression analysis.

Moreover, secondary data of this study was collected via textbooks, newspapers, seminar paper, conference proceedings, journals, internet, and other related publications.

3.3 Validity and Reliability

Validity is the degree to which a measure accurately represents what it is supposed to (Hair *et al.,* 2014). Validity determines the extent to which a scale measures a variable of interest. Since all the constructs are comprehensively addressed through the review of the relevant literature, they are valid. Reliability measures the extent to which a research instrument is consistent. Internal consistency of the questionnaire is measured. The Cronbach's Alpha is used to measure the internal consistency of the research questionnaire.

Cronbach's alpha reliability coefficient normally ranges between 0 and 1 with higher values indicating higher reliability among the indicators (Hair *et al.,* 2014). This is to say the closer Cronbach's alpha coefficient is to 1.0 the greater the internal consistency of the items in the scale.

Table 1: Reliability of Questionnaire

Variables	No. of Items	Cronbach's Alpha
Customer Loyalty	4	0.649
Tangibility	5	0.690
Reliability	3	0.639
Responsiveness	4	0.659
Empathy	4	0.681
Assurance	5	0.763

Source: SPSS Version 25 output

Table 1 shows different Cronbach's Alpha for the 5 constructs of the questionnaire (1 dependent variable and 5 independent variables). Reliability has the lowest Alpha of 0.639, followed by customer loyalty with 0.649,

responsiveness with 0.659, empathy with 0.681, tangibility with 0.690 and assurance with the highest alpha of 0.763. Overall, all the items in each variable in the questionnaire have a good reliability. This is because all Cronbach alpha values are in excess of minimum value of the 0.60 recommended by Cronbach (1951) and Nunnally (1978).

3.4 Methods of Data analysis/Model specification

Multiple regression analysis is used with the aid of Statistical Package for Social Sciences (SPSS) version 25 to determine and analyze the effect of service quality dimensions in term of Reliability, Responsiveness, Tangibles, Assurance and Empathyon customer loyalty in the Nigeria Telecommunication industry. However, before the analysis, Descriptive Statistics is run for data interpretation and post residual diagnostic test such as test of Multicollinerity is run to ensure the validity of the statistical inferences.

3.5 Model Specifications

$$CL = \alpha + \beta_1 REL + \beta_2 RES + \beta_3 TAN + \beta_4 ASS + \beta_5 EMP \mu \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots 1$$

Where:

α = intercept (constant term)   CL= Customer loyalty REL = Reliability,RES= Responsiveness, TAN = Tangibility, ASS = Assurance, EMP = Empathy, μ = error term, β_1 - β_4 = Beta coefficients.

4.0 Data Presentation and Analysis

The mass of data collected from the research respondents was analyzed to determine how the respondents respond to the different research variables investigated. Descriptive statistics and multiple regression analysis were employed to analyze the data collected.

Table 2: Analysis of the Respondents' Demography

Variables	Frequency	Percentage	Variables	Frequency	Percentage
SEX			**Years on the network**		
Male	131	66%	2-4 Years	48	24%
Female	67	34%	5-7 Years	61	31%
TOTAL	**198**	100%	8 Years and above	89	45%
QUALIFICATION			**TOTAL**	**198**	**100%**
O' Level	21	10%	**OCCUPATION**		
ND	41	21%	Civil Servants	64	32%
HND/BA/B. Sc.	71	36%	Private	40	20%
Post-	65	33%	Self-employed	37	19%
TOTAL	**198**	100%	Students	57	29%
GSM Network			**TOTAL**	**198**	**100%**
MTN	65	33%			
Glo	36	18%			
Airtel	70	35%			
9mobile	27	14%			
TOTAL	198	100%			

Source: Questionnaire, 2021

Demographic analysis in table 1 shows that 131 (66%) of the 198 respondents are male, while the remaining 68 respondents (34%) are female. In terms of the educational qualification of the respondents, 21 of the respondents (10%) have O' Level certificate; 41 (21%) have ND and its equivalent; Majority of them totaling 71 (36) have HND, B. Sc. or B. A.; while the remaining respondents, 65 about 33% have post-graduate and professional qualifications. Therefore, a large number of the respondents, 136 representing 69 % are well educated to

participate meaningfully in the study. As regards the GSM network of the respondents, majority of them are connected to Airtel. 70 respondents (35%) are on the network; 65 of them (33%) are on MTN network; 36 respondents (18%) are connected to Globacom network; the last 27 (14%) respondents are 9mobile's subscribers.

With regards to the number of years the respondents have been on their respective networks, 89 of them representing 45% have been connected to their networks for a period of 8 years and above; 61 of them (31%) have been on their networks for between 5 and 7 years; while the remaining 48 respondents (24%) claim they have been hooked to their networks for a period ranging from 2 to 4 years. In all, 170 respondents (76%) have really stayed long on the various networks to be able to respond to various issues raised on the questionnaire. This also indicates that a large number of the respondents are loyal to their respective networks. Finally, the respondents' occupation distribution shows that civil servants accounts for the majority of them, 64 (32%); followed by students who account for 57 respondents (29%); while private employees and self-employed people account for 40 respondents (20%) and 37 respondents (19%) respectively.

Table 3: Descriptive Statistics

	N	Mean	Std. Deviation
Customer Loyalty	198	13.11	3.39
Reliability	198	16.12	3.27
Responsiveness	198	10.21	2.53
Tangibility	198	14.46	3.00
Assurance	198	13.98	3.35
Empathy	198	15.23	3.38

Source: SPSS version 25 Output

Table 3 shows that customer loyalty has a mean of 13.11 and standard Deviation of 3.39. Reliability has the mean of 16.12 and standard Deviation of 3.27. Responsiveness has the Mean of 10.21 and standard Deviation of 2.53.Tangibility has the Mean of 14.46 and Standard Deviation of 3.00. Assurance has the mean of 13.98 and Standard Deviation of 3.35. Finally, Empathy has the Mean of 15.23 and the Standard Deviation of 3.38. It has been observed in the table 3 that almost all the Mean are similar. High Standard Deviation means that the data are wide spread, which means that customers give variety of opinion and the low standard deviation means that customers express close opinion.

Table 4: Multiple Regression Coefficients Results

Coefficientsᵃ							
		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
Model		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	1.748	0.525		4.760	0.000		
	Reliability	0..735	0.456	0.505	3.231	0.076	.853	1.345
	Responsiveness	0.831	0.179	0.452	2.429	0.084	.689	1.451
	Tangibility	0.556	0.688	0.234	3.017	0.013	.836	1.196
	Assurance	0.894	0.979	0.196	2.112	0.000	.757	1.321
	Empathy	0.010	0.452	0.306	3.303	0.002	.739	1.354

a. **Dependent Variable:** Customer Loyalty, R Square = 0.535 F Statistic= 21.707 Adjusted R   Square = 0.525, Sig F Square= 0.000, PV < 0.05

 b**. Independent variables in the Model**: (Constant), (Reliability, Responsiveness, Tangibles, Assurance and Empathy)

Source: SPSS OUTPUT Version 25

Table above shows the multiple regression analysis results between service quality dimensions: Reliability, Responsiveness, Tangibles, Assurance and Empathy as independent variable and customer loyalty as a dependent variable. As shown in the table, the R-square 53.5% is adjusted for potential errors in row data to51.5%. This means that the combination of these service quality dimensions: Reliability, Responsiveness, Tangibles, Assurance and Empathy account for 52.5% of the variance in customer loyalty.

The result of the analysis show that reliability and customer loyalty are positively and significantly related based on the value of its beta coefficient (β=0.452, p<0.05). This implies that given the p value of less than 0.05 shows that if one unit increases in reliability then there will be 45% increase in customer's loyalty to an organization. Therefore, we reject H_0 and accept H_1 that reliability has positive and significant effect on customer loyalty. Equally the beta value of responsiveness (β =0.234, p<0.05) show a positive and significant relationship between responsiveness and customer loyalty. It then support H_1 that responsiveness has positive and significant effect on customer loyalty. We therefore accept H_1 and reject H_0. In the same vein tangibility beta value of (β =0.196 p<0.05) indicate positive and significant relationship between tangibility and customer loyalty. That is a unit increase in tangibility will lead 19% corresponding increase in customer loyalty. In this case H_1 is accepted and H_0 rejected. Also, assurance and customer loyalty are related given the beta value of conflict handling of (β =0.203, p<0.05). For that, H_1 in hypothesis four is accepted and H_0 is rejected. That is, assurance has positive and significant effect on customer loyalty.

However, the beta coefficient of each of these independent variables shows their level of effect in predicting the variation and relationship with the dependent variable. The greatest predictor of the variation in relation to the magnitude of the Beta Coefficient is reliability (Beta =0.505, t = 7.219, sig = 0.000), followed by responsiveness (Beta = 0.452, t = 4.655, sig = 0.000), Empathy (Beta = 0.306, t = 3.728, sig = 0.000, Tangibility (Beta = 0.234, t =3.017) and Assurance with the lowest value (Beta =0.196, t = 2.363, sig = 0.000).

Furthermore the value of F-Statistic (21.707, sig = 0.000) shows that all the service quality dimensions: reliability, responsiveness, tangibles, assurance and empathy are statistically significant predictors of variation of customer loyalty. Also, the value of VIF for all the independent variable are less than 5 which imply that the variables are not interrelated and equally tolerance in determining customer loyalty.

4.1 Discussion of Findings

The study was conducted to examine the effect of service quality on customer loyalty in the Nigeria telecommunication industry. The study thoroughly examined the effect of each antecedent of service quality on customer loyalty through SERVQUAL model of Persuraman *et al,* (1991). The result showed a positive and significant effect of service quality on customer loyalty. The result coincides with Sabir et. al. (2013), Poku et. al. (2014) and Abdul Majeed Iddrisu (2011) but the effect of each dimension of service quality was different on customer loyalty.

The findings of this study indicate that there exists a significant gap between the expectations and perceptions of customers regarding the quality of service provided by the telecom operators under study. This gap is wider in MTN as compared to other telecom firms. Further, the results indicate the impact of service quality dimensions (reliability, assurance, tangibility, empathy, and responsiveness) on customer loyalty. Of the five

dimensions in the service quality, reliability is the most influential predictor of customer loyalty followed by responsiveness, assurance, tangibility and empathy.

A comparison among the telecom operators in Nigeria on the service quality dimensions reveals that 9mobile is substantially lagging behind other operators followed by Airtel Nigeria, then Globacom and the one with the highest service quality is MTN Nigeria. Out of the five service quality dimensions, 9mobile and Airtel have achieved less than average score on all the five dimensions of service quality (less than three on a five point scale) while as GLObacom and MTN have recorded below average performance only on one dimension (empathy). The other four dimensions showed above average performance (greater than three on a five point scale). The above discussion leads us to infer that MTN and Globacom are vastly outperforming other Telecom operators in terms of the quality of service delivered to customers. Therefore, 9mobile and Airtel authorities are required to pay earnest attention to explore the reasons for showing below average performance and take necessary measures to rectify them.

5.0 Conclusion and Recommendations

The study investigated the effect of service quality on customer loyalty in the Nigeria telecommunication industry particularly Abuja Subscribers. Existing relevant and related literatures on service quality and customer loyalty have been reviewed. From the reviewed of past studies, the major constructs or dimensions of service quality are: reliability, responsiveness, tangibles, assurance and empathy. Why elements of customer loyalty include; buy regularly, buy a cross-section of product or services, refer others, and immune to the pull of the competition and positive word of mouth.

The results from the multiple regression analysis shows that all the five service quality dimensions viz; reliability, responsiveness, tangibles, assurance and empathy significantly predict substantial percentage of the variation in customer loyalty. This finding was in consistent with the findings of some past studies ((Ndubisi, 2007 & Alrubaiee & Al-Nazer, 2010).

In nutshell, Customer loyalty service needs to be evaluated from time to time to provide managers of the telecommunication firms better tools to make informed decisions to meet changing needs of the industry and the complex nature of customers. New technologies must be incorporated as a factor to measure service quality.

Based on the findings of the study, it is recommended that a clearer understanding as to the sequence of relationship between service quality and customer loyalty can help to ensure better targeting of customer using limited marketing resources. Therefore, telecom operators should focus on service quality for the purpose of customer retention and building customer loyalty.

Also, frequent customer survey should be conducted to understand customer expectations of service delivery. These expectations should be translated into service standards and then communicated at all levels of the organizational hierarchy. In particular, strong communication channels need to be established with frontline staff so that they are fully aware of customer service expectations so as to ensure service reliability.

To improve assurance of service and to increase customer loyalty, the Mobile telephony service providers, as a matter of necessity, must focus on the following key areas as a foundation for satisfying customers in Nigeria: review of Internet data rate, improving the ability to connect first time, quick response time to answer complaint calls from subscribers. Other areas include: improving the time used to resolve complaints, minimising/absence of spam messages and unsolicited calls from service providers, the alignment of charges with the advertised rates and correctness of billing.

In order to achieve empathy, managers should pay more attention to employee courtesy when determining how customers perceive quality of service. In particular, contact employees should be able to give customers an impression of service availability through individual support.

The results of this study show that employees lack the ability to respond quickly to customer inquiries which entails poor responsiveness of service, Given the

importance of timeliness in the provision of the service in determining the perceived quality of customer service, it is proposed that managers of telecom firms should devote administrative attention to improving punctuality in the provision of the service.

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