

Determinants of Customer Satisfaction in Zimbabwe Telecommunication Industry

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ABSTRACT An essential factor for the growth and performance of telecommunication firms in the current competitive environment is the establishment and enhancement of customer loyalty. The purpose of the study was to investigate determinants of customer satisfaction in Zimbabwean telecommunication industry. Due to the impact of competition, deregulation, privatization and globalization, customer loyalty is vital in highly competitive industries like the telecommunication sector. The rate of customer defection ranges from twenty percent to forty percent in several global telecommunication industries. Customer defection adversely affects organizational price premiums, a firm's competitiveness, and it is reflected in the decline in profitability and possible loss of referral marketing opportunities. Indeed, customer defection seems to be a vexing problem in the Zimbabwean telecommunication industry due to widespread availability of smartphones and affordability of SIM cards among other factors. Such developments necessitate the need to understand determinants of customer satisfaction in the industry. The population of the study included six telecommunication firms in Zimbabwe. Data was gathered from telecom customers, staff and senior management. The findings of the study reveal that most subscribers prefer reduced tariffs, sales promotions, improved network coverage and service delivery. It can be concluded that the majority of telecom customers are dissatisfied with the services being offered by firms. It is, therefore, recommended that Zimbabwean telecommunication operators should consider providing affordable tariffs, providing value added products and services and they should consolidate their promotional campaigns, improve network coverage and service delivery.