

Consumer Perceptions on Service Quality of Telemarketing in Malaysia

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ABSTRACT According to a recent study undertaken by the WEFA Group of Direct Marketing Association Inc. of US, it was found that the US Consumers spent an estimated amount of 5.41 billion US \$ in telemarketing purchases during the year 1999-2000. With the introduction of Wide Area Telephone Service (WATS) the consumers can make the hassle free buying by using toll free 800 number to place the telemarketing orders in response to television and radio advertisements, and direct mail or catalogues. The other type is Outbound telemarketing which involves making calls to the prospective customers, either "cold" or as "follow-up call" by direct mail package or by written communication, they also use the telephone lines to sell directly to consumers and business people. In Malaysia the telemarketing is still in its infancy stage. The inbound telemarketing was aimed at the TV viewers through advertising and aims to get some orders. Some good examples in this category are the SMARTSHOP and MAIL ORDER GALLERY. The outbound marketing is mainly focused on the financial markets particularly by "Investment advisors". The importance to service quality in telemarketing services is also justified due to the changes that are taking place in the industry and also the existence of competition in the telemarketing. The current study has been undertaken with the objective of evaluating the service quality existing in the Malaysian Telemarketing Industry. The SERVQUAL instrument developed by Parasuraman and others was used in the current study to a sample of 120 telemarketing consumers throughout Malaysia. The mean difference between the consumers' perception of service quality and achievement of performance of service quality was obtained on all the aspects of the service quality such as reliability responsiveness, assurance and empathy. It was found that for some of the quality aspects the difference exists between the two, at 5% level of significance.