Online customer complaint response strategies and customer satisfaction: case study of Kenyan telecommunications companies

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ONLINE CUSTOMER COMPLAINT RESPONSE STRATEGIES AND
CUSTOMER SATISFACTION: CASE STUDY OF KENYAN
TELECOMMUNICATIONS COMPANIES

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Submitted in partial fulfillment of the requirements for the Degree of Masters of
Business Administration (MBA) at Strathmore University

Strathmore Business School
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Nairobi, Kenya

June 2019
DECLARATION

I declare that this work, which I submit for the MBA degree at Strathmore University has not been previously submitted and approved for the award of a degree by this or any other university. To the best of my knowledge and belief, the thesis contains no material previously published or written by another person except where due reference is made in the thesis itself.

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DEDICATION

My heartfelt love and appreciation is to my wife for coping with the undue disruption during my study.

To my family, I love them all. Most of all I pledge loyalty to the Lord Almighty for the strength and inspiration He has given me.
ACKNOWLEDGEMENT

First, I would like to thank God Almighty who has helped me reach this far and giving me the strength, knowledge as well as vitality that has aided me to make this project a reality. In addition, I would wish to show gratitude to my family for their moral, financial support and inspiration plus their understanding when I was not there for them over the period I was working to formulate this project, I wouldn’t have made it this far without them. My heartfelt gratitude also goes to my supervisor for her support as well as assistance. I am profoundly grateful to my lecturers too. God bless you all.
ABSTRACT

This study sought to establish the influence of online customer complaint response strategies on customer satisfaction among telecommunication companies in Kenya. Specifically, the study sought to; evaluate private responses, timely responses, and online presence on customer satisfaction among telecommunication companies in Kenya. The study adopted a descriptive research design. The population for the study consisted of 200 employees who work in the morning shift in the customer care department of three telecommunication companies in Kenya namely Safaricom, Airtel and Telkom. The choice of the three companies was due to the fact that they were amongst the first companies in the industry and have a large customer base. This study used a stratified sampling method. The sample size of 30% was used as the sample population. Hence, the number of respondents presented with the questionnaire was 60. The study used primary data collected using a questionnaire since it had the ability to reach a wider number of respondents in less time. A pilot study was conducted to establish the validity and reliability of the questionnaire. The research utilized both descriptive and inferential statistics. The study concluded that online customer complaint response strategies influenced customer satisfaction in the telecommunication industry. Specifically, the study concluded that private responses, timely responses, and online presence were the strategies that influenced customer satisfaction in the telecommunication industry. The researcher further suggests that studies can be conducted to study the various complaints raised by the Kenyan market and calculate the actual response time companies take to respond to the various forms of customer complaints. Further studies can look at the impact of automated responses on customer service compared to personalized responses in the Kenyan market.
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CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

There has been an increasing concern about satisfying and retaining profitable clients for organizations operating with the customer-focused marketing philosophy. Retaining customers calls for a study into the customers’ behaviors to come up with business strategies in order to meet customer requirements. Customer complaint behavior is amongst the areas of consumer behavior that has attracted substantial attention of practitioners and scholars alike (Kotler & Keller, 2006).

In the past three decades, customer satisfaction has been a key marketing paradigm. Previously, it was not a popular and unaccepted concept since companies focused more in gaining new customers than retaining the existing ones. However, this has currently changed as companies have gained a better understanding of the significance of customer satisfaction (particularly companies in the service sector) and embraced it as a high priority operational goal. The advent of increased adoption of ICT has made the task of ensuring customers are satisfied to a higher notch. This is because customers now have avenues to voice their complaint (Owiye, 2012).

Companies which operate in the online space should take keen interest to the revolutionary new trend which social media represents (Kaplan & Haenlein, 2010) as negative online feedback is capable to ruin the organization’s reputation, credibility and trust (Kerkhof, Beugels, Utz, & Beukeboom, 2011). Before the rise of social media, a huge number of unhappy customers didn’t complain after a not so good experience as the cost of complaining was perceived to exceed any prospective benefits (Gre'goire, Salle, & Tripp, 2015). However, social media has changed consumer complaint behavior from a private to a public phenomenon as negative consumer brand experiences are shared with the masses. Customers are presently empowered towards distributing their brand stories effortlessly and widely through social media and have acquired a strong voice which is impossible to be overlooked by brand managers of all firm even those that don’t participate in social media actively (Gensler, Volckner, Liu-Thompkins, & Wiertz, 2013).

Customers have become more and more conscious of the fact that social media applications present them with new and formerly unknown possibility and power not only due to accessibility to more and improved information but also due to plenty, almost unlimited online options (Constantinides, 2010). Customers are at the moment connecting with each other and drawing power from one another as a result of consumer empowerment by online social
technologies like user generating content sites (You Tube), blogs, social networking sites like Facebook and countless web communities. This has enabled the consumers to come up with their own company and brand perception which is always in conflict with image the company would like to be (Bernoff & Li, 2008). The online space makes available potentially damaging information of companies from virtual complaints aired in protest blogs or websites by dissatisfied or disappointed customers by the company offering (Gensler, et al., 2013). The complaints posted in weblogs has resulted to “blog warm”; a new form of consumer activism with significant effects and consequences like forced recall, withdrawal and replacement of products which consumers had posted online showing their defectiveness (Constantinides, 2010). Consumers use social media communications as reliable sources for insights, information and opinions which has an influence on consumer brand perception and purchase intentions (Kerkhof, et al., 2011)

Traditional-based markets have also found out that customer complaints are influenced by individual characteristics of a customer, customer’s perception on the causes of their dissatisfaction, type of product, outcome expectancies, and the cost related to complaining (Cho, Im, Hiltz, & Fjermestad, 2002).

A study by Lee, Park and Han (2008) on the effect of negative online customer reviews on product attitude found that a high proportion of negative online consumer reviews elicits a conformity effect and unfavorable attitudes towards the product. However, the magnitude of conformity was dependent on the customer involvement and quality of the reviews. As the amount of negative consumer reviews increases, high involvement consumers (individuals with greater motivation to understand the relevant information) are inclined to adapt to the reviewers’ perspective depending on the objectivity, credibility, understandability, timeliness, and sufficiency of the negative online consumer reviews while low-involvement consumers (individuals who rely on peripheral cues from a stimulus for instance source credibility, sympathy with the source) are inclined to adapt to the perspective of the reviewers notwithstanding the negative consumer reviews quality. The attitude of change was however noted to be great in high quality negative reviews as opposed to low-quality negative consumer reviews for high involvement customers.

1.1.1 Online Customer Complaints

Complaints are a normal by-product of any service activity due to mistakes being part and parcel of all human endeavour and same applies to service delivery. Service recovery involves
making the situation right or better still the process of seeking out and dealing with delivery of service failures (Shahin, 2007).

Cho, et al., (2002) noted that online customers’ complaints can be categorized as public or non-public, direct or indirect online complaints. Public complaints are those that are posted on public sites where customers can view other peoples’ comments like product reviews, price comparisons, product or service comment or opinion. Customers are however required to have registered for them to post a message. For non-public complaints, complaints are managed individually hence not open to the public as they are stored in a disclosed form. This helps the company not disseminate the complaints preventing spreading damaging feedback. Direct online complaints are complaints shared with the company and customer service centers offer feedback mostly individually. Some businesses have achieved to convert complaints from customers to valued business opportunities. On the other hand, in indirect complaints, customer complaints are directed to third parties rather than complain to the company which sold the product or service. The third parties will send the complaints to the target companies and also disseminate the information to the public in general.

According to Gregoire, et al., (2015), there are several ways in which customers utilize social media to air their adverse experiences. One of the way is directness, where a customer contacts the company directly and privately after a service failure in an attempt to achieve satisfaction or resolution. Social media has made this first level of complaint easy as customers are able to gain direct access to the firm’s customer through Facebook and Twitter by posting on the firm’s Facebook wall or sending a tweet. The firms’ concern at this moment is not only redressing the complaint raise but also the fact that everyone is observing how the issue will be addressed. The other form of complaint is boasting. This arises after a service failure has been satisfactorily resolved by the company and this can provide a perfect opportunity for the company to generate positive publicity on social media.

In as much as the online community may expose the organization along with its misconduct online, it aims for amicable settlements with firms by providing resources to the complainers. The motivation of complaint is reparation rather than revenge. One other form of complaint after a double deviation is spite which details sharing negative company publicity seeking revenge (Lee, et al., 2008). The customer’s main motivation in spite is to get revenge against the company by spreading the negative experiences on content generated platforms like YouTube to punish and cause inconveniences to the firm. The complainers in this form attempts to come up with an attention-grabbing message through humor, originality or clever
material and share the message widely using the most effective content generated social media with the key achievement being creating a viral video for example Dave Carroll’s United Breaks Guitars music video. The motivation of the complainant is to do whatever it takes to taint the company’s credibility and reputation so as to get the desired feeling of revenge makes spite driven complaints highly probably to going viral and one of the ugliest types of complaint. This may cause a dangerous crisis for firms and much cannot be done by the company to fully redress the situation since the online community will carry on doubting the good intents of the company even after it does all the right things. Feeding the vultures is the last form of customer complaint where the organization’s competitors take advantage of your social media calamity (Gre'goire, et al., 2015). This follows a customers’ complaint going viral and competitors capitalizes the firm’s misery resulting in the ugliest possible consequences for a firm and the worst form of public crisis. Failure by the company to address a complaint provides a nice public relation chance to one of its competitors.

1.1.2 Customer Complaints Response Strategy

Complaint management comprises service recovery and it entails the receipt, investigating, settling and preventing of complaints from customers and subsequent recovery. Businesses generally take any kind of consumer complaints to be vital indicators of performance which wasn’t satisfactory. Without consumers’ feedback, the business would be unable to improve their performance as they would be ignorant of their problems. It is key to note that firms can deal with complaints from customers thereby retaining them (Crie, & Ladwein, 2002). Lau and Ng (2001) found that there is a higher level of repurchase intentions from dissatisfied consumers who raised complaints than those who didn’t. However, from previous studies many unsatisfied customers were found to rather alter brands or suppliers and share with close acquaintances about their not so good purchase experiences than to share their disappointments with the firms. Based on this, it is apparent that management of customer complaints requires serious attention (Davidow & Dacin, 2007).

A firm’s response to a customer complaint influences their post complaint behavior hence corporate communication plays a crucial role on how companies respond to clients and how they are perceived in the long term, particularly when there are complaints (Davidow, 2003). Organizations are hence required to participate in online conversation in a more informal and human manner. A personalized response on negative consumer reviews rather than using a
corporate tone of voice as it makes the community believe that the company cares about their views, reactions and ideas on the incidence (Kerkhof, et al., 2011).

Davidow (2003) highlights the six different dimensions of organizational responses to complaints. First is timeliness; the perceived speed with which an organization responds to or handles a complaint. A prompt response is considered as a key ingredient in effective customer complaint management. Second, facilitation which looks at the policies, procedures and structures that a company has in place to support customers engaging in complaints and communication. Venting or encouraging dissatisfied customers to express their feelings and opinions causes increased levels of satisfaction. Making a complaint-handling mechanism available has a positive impact on likelihood of complaining and a negative impact on negative word of mouth. Third is redress; the benefits or response outcome that a customer receives from the organization in response to the complaint. Fourth, is apology which is the acknowledgement by the organization of the complaint distress. Fifth, is credibility where the organization’s willingness to present an explanation or account for the problem and lastly attentiveness; the interpersonal communications and interactions between the organization’s representative and customer. Considering that social media has become a crucial avenue for interaction between customers and companies, a slow and ineffective response to complaints can have a detrimental impact on a brand. In this context, the study by Davidow (2003) explores a crucial aspect of corporate communication since social media and corporate communication have become intertwined due to the changing trends in modern communication.

Bradford and Garrett (1995) came up with four response strategies which were based on specific crisis situation. The company will deploy a deny strategy where there is no evidence of corporate commission, excuse strategy when evidence of corporate commission is present but corporate control evidence is missing, justification response when both evidence of corporate commision and control are available but there are questionable standards of assessment and lastly concession strategy where the standard of assessment is appropriate in the occurrence of both corporate commision and control evident.

The use of social media within PR and corporate communication has been hailed as transformational as it enables a give and take and more balanced interactions between organizations and their publics. It provides an opportunity to the organization to have conversations that facilitate the articulation and building its story or key messages to stakeholders in an interactive way. The responsibility of observing and aligning the organization to the environment to suit its needs is tasked to PR and corporate communication
The need to attend to the various stakeholder groups successfully is currently appreciated by organizations so as to elude disturbances caused by certain stakeholder groups or raising issues that are potentially damaging to the organization (Cornelissen, 2004).

1.1.3 Customer Satisfaction

Service quality and customer satisfaction are primary components in the external relations system of any organization, as they currently play a key role in determining the company’s competitiveness. The wish to manage customer relationships arises from the fact that firms are beginning to pay attention to service standards development and implementation. Reviewing customer service standards as part of the organization’s corporate culture allows for the identification of more effective approaches to its development and implementation (Archakova, 2013).

There has been an increasing use of customer satisfaction as a standard for customer related activities and for any business organization superiority standard (Jamali, 2007). On the other hand, service failures occurrences are recurrent leading to diminishing customer satisfaction due to the number of customer complaints. Service failures may cause customers to move to other service providers as they are increasingly becoming intolerant to mediocrity hence it important for the organization to understand the service recovery process. Even though service failure can break customer loyalty, the defection of dissatisfied customers may be prevented when service recovery strategies are in place. (Moliner et. al, 2010).

Customer satisfaction isn’t an absolute scenario, but so dependent on praise, interactions, complaints and feedback. Customer complaints need to be looked at in a practical, positive and professional angle as they are a mechanism of obtaining customers’ feedback hence necessary means for developing improvement plans, tool for harnessing internal competencies for optimizing products and services and avoiding complacency. They are also a useful tool for evaluating internal performance in comparison to competitors and top in class organisations, and they are a useful exercise for getting to know and understand customers better (Shahin, 2007). If organisations can transform complaints into valuable information about customers, they can offer a valuable amount of capital for enterprises. To make use of this capital, organisations need to design, build, operate and continuously advance complaints management systems (Gonzalez, 2001).
1.1.4 Telecommunication Industry in Kenya

The telecommunications industry in Kenya is regulated by the Communications Authority of Kenya and as per its Sector Analysis Report for the period July to September 2018; it noted that mobile subscriptions stood at 46.6 million with data/internet subscription having 42.2 million. During this period, mobile penetration surpassed the 100% to join other countries with a penetration rate above 100%. Safaricom PLC enjoyed the majority of the market share in mobile subscriptions standing at 64.2% while Airtel had 22.3% and Telkom 9%. However, during this period Safaricom PLC market share for mobile subscriptions dropped 1.2% whereas Airtel gained 0.9% (Communication Authority of Kenya [CAK], 2018).

Many Kenyan companies are now experimenting with social media. Many of businesses have come to understand the potential value of social media and have gone ahead to act on it. From creation of Facebook Fan pages, a presence on Twitter, and even blogging for some, these businesses are now active in social channels. Social media has already developed into an indispensable communication tool here in Kenya; recent activities on Kenyan firms on social media should convince anyone of the benefits and especially as a business owner (Oloko, Anene, Kiara, Kathambi, & Mutulu, 2014). The telecommunication companies have adopted it with the aim of growing the influence among the huge number of followers who are online. In addition, it is continually used in the Kenyan scenario as a space where customer can ask questions, forward their complaints and look for reviews of specific products and services offered in the specific company.

1.2 Problem Statement

The test for any organization with an aim of succeeding in the market place must begin with recognising that the "customer is king" and that the entire purpose of any business is to serve both consumers and stakeholders and later become profitable (Zairi, 2010). Customers express their dissatisfaction with products or services through complaints. Thus, a review of customers’ complaints is requisite to improved customer satisfaction. However, this is not always the case as many customers do not bother complaining. The lack of complaints is hence not a true indication of managing complaints effectively. This creates a requisite for organisations to encourage customers to raise their complaints and to provide them with a mechanism to do so. The process of converting deficient situations to creating customer delight is through listening, empathy, innovation and caring (Shahin, 2007).
Customer complaints management poses a big challenge to majority of organisations for instance; absence of systematic complaints handling approach, failure to recognise the importance of customer complaints at a strategic level, lack of the right equipment in terms of systems and processes for logging in complaints ad processing them, lack of proficiency with measurement and in particular in non-financial areas such as customer satisfaction and complaints, and adverse cultures and too much of "blame and reprimand" practices. These challenges result to customer dissatisfaction leading to loss of customer loyalty and retention (Zairi, 2010).

There exist past studies on customer satisfaction and strategies used to enhance customer satisfaction. For instance, a study by Kutol and Juma (2016) sought to establish customer relationship management on customer satisfaction in multinational companies in Kenya focusing on Laborex Kenya Ltd. Cho, Im, Hiltz, and Fjermestad, (2002) conducted a study on online customer complaints and suggested that e-businesses need to provide topnotch online customer services since it is a key factor in online customer satisfaction. Further, Oloko, et al., (2014) sought to determine the strategies that enhance customer satisfaction. The study suggested that a firm’s monitoring tools plays a key part in cases of badmouthing as the customer does not contact the company to give an opportunity for the issue to be sorted. These studies reveal both conceptual and contextual gaps as there are no studies that have focused on the influence of online customer complaint response strategies on customer satisfaction among telecommunication companies in Kenya. This study sought to fill this gap.

1.3 Research Objectives

1.3.1 General Research Objective

To establish the influence of online customer complaint response strategies on customer satisfaction among telecommunication companies in Kenya.

1.3.2 Specific Research Objectives

i). To evaluate the influence of private responses during complaints on customer satisfaction among telecommunication companies in Kenya.

ii). To find out the influence of timely responses on customer satisfaction among telecommunication companies in Kenya.

iii). To assess the influence of online presence when complaints come on customer satisfaction among telecommunication companies in Kenya.
1.4 Research Questions

i). What is the influence of responding to complaints privately on customer satisfaction among telecommunication companies in Kenya?

ii). What is the influence of timely responses on customer satisfaction among telecommunication companies in Kenya?

iii). What is the influence of online presence on customer satisfaction among telecommunication companies in Kenya?

1.5 Scope of the Study

This study sought to analyze the various online customer complaint response strategies adopted by companies in the telecommunication industry in a bid to enhance customer satisfaction. Specifically, the study focused on strategies such as private responses, timely responses, and online presence. The study was based in Nairobi County and targeted the three telecommunications companies namely: Safaricom, Airtel and Telkom. The research was based in the main offices of the companies which were all located in the county.

1.6 Significance of the Study

Businesses

This study could be beneficial to businesses to understand how various companies are able to package the information shared on social media to mitigate in the best way possible the negative impact that may arise from the electronic word of mouth in an attempt to maintain a positive corporate image and reputation as well as enhance customer satisfaction. Today’s business world has witnessed the pervasive blurring of boundaries between the organization and its stakeholders highlighting the importance of corporate image and reputation to be managed strategically (Gray & Balmer, 1998).

Managers

In the future, management of online customer reviews could be indispensable and depending on the online review content, it could benefit or hurt online sellers. Managers in such companies should closely examine negative online customer reviews quality and number compared to positive online customer reviews due to the powerful impact negative online customer reviews have on product attitude (Lee, et al., 2008). Managers might benefit from such information
since it could enable them to counter negative communication and protect their brands and reputation in the long term.

**Scholars**

Previous studies in Kenya on telecommunication companies have not focused on handling customer complaints on social media. This study could provide information that could be used by other scholars to understand social media responses and their impact on customer satisfaction in an organization. Scholars could use information from the study to determine the changing communication trends for both consumers and companies and their implications for both stakeholders.

**Policy Makers**

Social media is relatively new and policies are still being formulated to regulate the sector and its implications on the society. In this context, the research could be important since it would inform policymakers on important policy positions concerning how consumers and companies can engage each other. Social media can be misused if it is left unregulated, and such studies ensure that policymakers are informed before they settle on various policy positions on the issue.
CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter reviews various theories as well as outline various past studies that are related to the study. The chapter begins by considering theories relating to collective behavior and how individuals make decisions from information received. In addition, the chapter also has the results of an empirical review. It explores previous studies on the impact of negative online customer feedback in decision making and the ways organization are dealing with the feedback before concluding with the conceptual framework.

2.2 Theoretical Review

The theoretical review presents theories that explain social media behavior and how to handle crisis arising from social media in relation to the online customer complaint response strategies. This section looks at attribution theory, contagion theory and situational crisis communication theory.

2.2.1 Attribution Theory

Kelley and Michela (1980) referred to attribution theory as the study of perceived causation and peoples’ behavior is interpreted in terms of its causes and these interpretations are responsible to in determining reactions to the behavior. The general model of attribution field depicts attributions (perceived causes) as the link between antecedents (information, beliefs, motivation) and the consequences which include behavior, affect and expectancy. One will thus attribute responsibility for an event and will experience an emotional reaction (anger and sympathy being the core emotions) to the event as these two serves as motivations to an action. As a result, person will be judged not to be responsible when behavioral responses are positive leading to aroused empathy. Based on the attribution theory, an organization which has a history of crisis will be deemed to have ongoing problem that needs to be addressed while a prior relational reputation which is unfavorable suggests that an organization shows little consideration for stakeholders across a number of domains, not just in this (Coombs, 2007).

Attribution theory paradigm is beneficial in understanding the inferences made by readers regarding the customer’s incentives in sharing the review and about the opinion’s accuracy in the review. It also explains how individuals make such casual conclusions using their common-sense
explanations of the world which may view action as a result of either personal causes or causes related to the environmental situation (Coombs, 2007). Sen and Lerman (2007) study on negative consumer reviews on the web found out that readers of hedonic products; products that satisfy emotional needs for example music, art, movies reviews are less likely to find the negative reviews useful as they are more likely to attribute the negative opinions expressed to the reviewer’s internal reasons (non-product related). When consumers search for consumer reviews for hedonic products, they are looking forward for an affective and sensory experience of aesthetic or sensory pleasure, fantasy or fun. Thus, they may already be positively disposed towards the object of their consumption or desire and be looking to consume it and therefore be more motivated to evaluate the product positively. However, for utilitarian products; products whose purchase decisions are informed by utility maximizing perspective, readers are more likely to attribute the reviewers’ negative opinion to external (product related) motivations hence negative reviews are more useful than positive reviews. Consumers are likely to infer that the reviewer’s negative comments about a utilitarian product are motivated by a desire to accurately inform other buyers about the product and they believe that these comments are based on the reviewers’ true experience/feelings (Kerkhof, et al., 2011).

From the theory, it is essential that an organization maintains positive working relations so as to have a good reputation and maintain a good relationship with the customer. Numerous customer complaints could lead to outsiders feeling that the organization does not care on its stakeholders hence affect customer satisfaction.

2.2.2 Contagion Theory

The contagion theory aims to explain how a crown can have a hypnotizing effect on an individual. The theory came to the fore in 1885 where Gustave Le Bon studied the popular mind in the context of the French society (Christakis, & Fowler, 2013). Even though the philosopher and historian focused on social and political opinions, the theory was improved further by Robert Park and Herbert Blumer to determine the dynamic influences of crowds on individuals using a socio-psychological aspect. The main premise behind the theory is that an individual can act irrationally while in a group setting and act normally once he or she is out of it.

According to the Book by Le Bon, the hypnotic nature of groups and the anonymity provided in numbers influence human beings and how they behave. The theory was inspired by the actions of
the French public during the French revolution when they decided to storm the Bastille castle and kill the ruling class. The masses were ravaged by famine and tough economic times causing them to rebel against the leadership of the time. Their challenges and mob psychology nudged them towards a violent path. The theory still plays an important role in explaining how individuals act in a certain way while they are in mobs or crowds and how it affects communication. Since social media has the capability of mobilizing individuals and create groups, the contagion theory is important in explaining how social media can influence the behavior of individual (Christakis, & Fowler, 2013). In the case that there is positive word going out from the company on the social media platforms, individuals will tend to trust the brand more and engage those tasked with handling all questions. On the other hand, negative feedback on social media accounts might tend to mobilize the public towards developing a negative attitude towards the telecommunication company.

Through exhibiting the power of social media, this theory is fundamental in guiding companies on the best strategies to adopt so as to maintain a clean image on online platforms. This could be ensuring that there exists timely responses, increasing a companies’ presence online or dealing with crises when they occur as opposed to allowing customers to use the social media to air their complain and thereby a company is able to portray a clean image to the public.

2.2.3 Situational Crisis Communication Theory (SCCT)

It’s a fact that no organization is spared having to go through a crisis in its life time, the situational crisis communication theory investigates which crisis response strategy would be adequate to best restore an organization’s reputation in specific crisis situations. As mentioned earlier, organizations have to contend with negative reviews and complaints from customers. Such messages can have a negative impact on the reputation and performance of a company. In this context the SCCT theory is reliant for the study as it analyzes how organizations communicate in times of crisis (Claeys, Cauberghe, & Vyncke, 2010).

SCCT theorizes that the optimal crisis response strategy will be based on the understanding of the following crisis factors; initial crisis responsibility, crisis history and prior relational reputation. The organizational reputational threat increases as stakeholder attribution of crisis responsibility to the organization intensifies. Based on the 3 crisis clusters; victim, accidental and preventable and the 3 response strategies; deny, diminish crisis and rebuild strategies, SCCT deduced that
following guidelines; the deny posture crisis response strategy should be used for rumor and challenge crisis (victim crisis) when possible while diminish crisis response strategy should be used in victim crises coupled with a history of similar crisis and/or negative prior relationship reputation and accident crises coupled with a history of similar cases and a neutral or positive prior relationship reputation (Claeys, et al., 2010). Rebuild crisis response is used in accident crises coupled with a history of similar crises and/or negative prior relationship reputation and also preventable crises regardless of crisis history or prior relationship reputation. One should maintain consistency of crisis response strategies to avoid eroding the effectiveness of the overall response.

This theory goes a long way in explaining how companies can manage crisis communication in the context of online platforms. The theory helps organizations in handling crisis that arise from communication that could have been made on social media and elicited negative comments. The theory aids in analyzing where the error came up and draws a strategy that would greatly help to restore the organizations reputation and position among the clients. This could be ensuring that there exists timely responses, increasing a companies’ presence online or dealing with crises when they occur as opposed to allowing customers to use the social media to air their complain and thereby a company is able to portray a clean image to the public.

2.3 Empirical Review

2.3.1 Online Presence

Floreddu, and Cabiddu (2016) identified six communication strategies which organizations can utilize depending on the organizations’ reputation; first was egocentric strategy where the firm’s objective is to increase its visibility through social media and hence will just share information through its social media pages but not engage with the customers. Both positive and negative opinions expressed by the customers will be ignored by the company. The second strategy was conversational; this strategy aims at creating a deep relationship and conversation with the customer. The company will thus respond to every customer comment so as to create a conversation and moderate any conflict. Third, is the selective strategy where firms respond to every positive feedback and would not want to manage conflicting opinions. They thus ignore negative feedback only filtering positive comments and end up building a relationship with customers who support the firm. Fourth is openness strategy and improving the firm-customer
conversations transparency is the aim of this strategy. The company responds to customers remarks publicly and does not delete the posts.

They were also observed that a company’s reputation was positively impacted when the company actively monitors conservations on social media and engages with the customers online, establishes a transparent, direct and personal online relationship with the customers and takes a short time to carefully respond all the question, criticism, feedback given by the customer through detailed content and sentiments examination of the online conversations (Floreddu, & Cabiddu, 2016). Low reputation companies therefore avoid creating a platform for discussion with customers as the communication strategy they employ aim at not establishing a real conversation with their customers. The same also applies to medium reputation companies only that they use alternative channels such as call centers to manage conflict privately while different communication strategies are employed by high reputation companies.

A study by Muriungi (2012) sought to investigate the effectiveness of customer service: a case study of KCB Bank Group found that communication is key in any organization and therefore must be observed as a business requisite for its success. The study recommended that additional methods for reaching customers should be integrated to include short messages services (SMS), emails and social media as channels to be utilized in the sending and receiving of information to customers.

A study by Kutol and Juma (2016) sought to establish customer relationship management on customer satisfaction in multinational companies in Kenya focusing on Laborex Kenya Ltd found that a good strategy existed in Laborex Company Ltd which enhanced quality service. It incorporated talking to clients in a friendly way, sending birthday wishes to customers amongst others. One person had been charged with the responsibility of addressing all customer complaints raised and offered apologies on behalf of the company where need be. This in return ensured the communication between customers and employees was effective.

2.3.2 Timely Responses

According to Gregoire et.al (2015), the way an organization responds to negative word of mouth is dependent on the type of complaint. For directness, the company ought to quickly acknowledge online the service failure experienced by the customer since the motivation is to seek effective
recovery of the service failure rather than revenge or cautioning other customers. Time is of great importance when dealing with this kind of complaint as people watch to see how the firm’s initial response will be like. The reasonable rule of thumb for time delay for acknowledging a concern is one hour. Deleting or not answering a complaint at this stage will lead to a double deviation precipitating a disaster. The firm may choose to address the concern raised publicly or privately depending on the complexity of the matter. Complex problems call for private communication but after the issue has been resolved, the company may go public to inform the online community that the issue has been resolved.

Macnamara and Zerfass (2012) studied on ways in which organizations’ strategy and management processes are adapting to the challenge of openness posed by Web 2.0. The study revealed that majority of the organizations lacked a strategic framework in regard to social media communication and organizational communication through social media was mostly experimental and ad hoc rather than strategic. A small proportion of organizations had a social media strategy which outlined the social media use objectives, the person responsible to speak on the organizations’ behalf in social media at any given event. Social media communication was not integrated with other organizational communications and lacked an adequate appraisal system to monitor its performance. Despite some companies having tools and systems for monitoring social media mentions of the organizations, its products and services, the monitors were at times selective, sporadic focusing mainly on the quantitative metrics that is volume of mentions, visits views leaving out the qualitative content analysis for instance issues discussed, the tone of the content.

Cho, Im, Hiltz, and Fjermestad, (2002) study on online customer complaints suggested that e-businesses need to provide topnotch online customer services since it is a key factor in online customer satisfaction. Also, fast responses to customers’ requests/complaints are vital since the speed at which one responds is critical in online customer satisfaction compared to offline. Such companies therefore need to come up with strategies that are suitable for the product category in question.

2.3.3 Private responses

An essential strategy is where the company uses other private channels to manage a social media conflict for example a complaint posted on Facebook will be responded through private messages
or email. The company may also delete “unwelcomed” posts. Lastly supportive strategy is solely for assisting clients during the information search, purchase and post-purchase phases by providing information about quotations and offers (Floreddu, & Cabiddu, 2016).

About badmouthing, the firms monitoring tools plays a key part in such situations as the customer does not contact the company to give an opportunity for the issue to be sorted (Oloko, et al., 2014). The onus is on the aggrieved party to make the first contact with the dissatisfied customer showing a sense of compassion and proactive competency as a result nipping the potent crisis in the bud. The firm should acknowledge the situation by publicly contacting the customer and inviting them to engage privately with regard to the matter. The firm should politely communicate of its unaware of the situation when making the acknowledgement to counter customers and third-party assumption of bad intention when communication is lacking. No matter the outcome of the negotiations with the aggrieved customer, the company ought to conclude the cycle by communicating the outcome on social media (Oloko, et al., 2014). Depending on the tone of the client and reasonability of his/her demands, the firm does not always have to give in leaving the matter on the online community to be the jury.

Bad mouthing sees the customer not addressing the complaint to the firm but rather without giving the firm an opportunity to resolve the complaint, they post the unsatisfactory service on their social media pages (Gregoire, et al., 2015). The challenge to companies with this form of complaint is the extent the complaint reaches as unfavorable experiences reach more current and potential patrons than before and the firm’s totally lack control over the message and the situation. There is a possibility of this form of complaint going viral on social media before the firm having an opportunity to address the complaint with the customer. The fourth form is tattling where an aggrieved customer complains to a third party for assistance. Such occurs after a double deviation of service failure and failed recovery making the persistent customer seek assistance from an online third-party company to obtain restitution after their inability to resolve the situation themselves.

Tattling causes inconvenience to the company as third parties meddle but on the other hand it provides an opportunity for the issue to be resolve constructively. At this point, it is key for the company to co-operate with the customer through the third-party online organization since the customer are unlikely to give up until there is a resolution hence the firm will inevitably need to deal with the client. Also, for the third-party organization to take up a complaint there has been to
a genuine case since they decline opportunistic individual complaints. It is therefore advisable for the company to engage the third-party organization and consider the redress offered (Gre'goire, et al, 2015).

Handling spite is the most challenging one; the best strategy to counter this is to prevent a double deviation from not occurring at the first place (van Laer, & de Ruyter, 2010). Two actions to be taken during a spite incidence is first, contact the complainer privately with an aim of finding a reasonable solution. However, it is not a guarantee that the generous compensation the company is willing to offer will be accepted by the aggrieved customer as at times the benefits from the video going viral far much outweighs the compensation the company is offering. The client may also feel the action by the firm as too little, too late. Since the complaint has become a public concern by it going viral, the company need to say something publicly to prevent it from being perceived not to care at all. The second step is analyzing the flaw that caused the incident and correcting them. This should be communicated to the public at large by high-level management detailing all the action that has been taken to correct the flaw and prevent it from not happening again. It should be however noted that despite all measures to properly deal with the viral complaint, the post’s viral nature is almost difficult to mitigate by a single constituent that is the firm (Dijkmans, et al., 2015).

Shammout and Haddad (2014) sought to identify the most important impacts of complaints' handling on customers' satisfaction in the commercial banks' in Jordan. The sample of the study consists of five commercial banks in Jordan (Housing Bank, Arab Bank, Bank of Jordan, Cairo Amman Bank and Ahli Bank) of 419 questionnaires were distributed in several phases until 384 questionnaires have been confirmed. The results of the research showed that there is a statistically significant impact of the overall dimensions of complaint handling (service recovery, service quality, switching cost, service failure, service guarantee, and perceived value) on customer satisfaction.
2.4 Operationalization of Study Variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Indicators</th>
<th>Measurement scale</th>
<th>Tool of Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online presence</td>
<td>• Social media accounts</td>
<td>5-point Likert</td>
<td>Mean Standard deviation</td>
</tr>
<tr>
<td></td>
<td>• Monitoring tools to track comments/ feedback</td>
<td>scale</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Response to all customer complaints</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Visibility through social media.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Transparency with customers online</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Timely responses</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Quick response to customer complaints</td>
<td>5-point Likert</td>
<td>Mean Standard deviation</td>
</tr>
<tr>
<td></td>
<td>• Response to customers’ requests/complaints across all social media platforms</td>
<td>scale</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Private responses</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Use of other private channels to manage a social media conflict</td>
<td>5-point Likert</td>
<td>Mean Standard deviation</td>
</tr>
<tr>
<td></td>
<td>• Inbox customers with complaints directly via messenger to shun public eye</td>
<td>scale</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Attention to customers complaints immediately posted on social media platforms</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2.5 Summary of Literature Review and Research Gaps

Base on the literature review, the way the company will respond to feedback will be based on what the company wants to achieve with social media use and also the type of customer complaint presented. Companies who want to build a customer base will employ a responsive approach while those who just want to build company or product awareness will not bother with responding to online feedback. Complaints where a customer is motivated to resolve the issue will be much easier to resolve than those that the motivation is revenge. Secondly, the impact of negative feedback varies. Hence, the company response will be in relation with the type of customers and product offered the level of negative feedback, the time taken to respond.
There exists a gap literature review that existing studies on customer satisfaction and strategies used to enhance customer satisfaction have focused on different sectors as opposed to the telecommunication industry. For instance, Muriungi (2012) study on the effectiveness of communication on customer service while Kutol and Juma (2016) study was on customer relationship management on customer satisfaction in multinational companies in Kenya. Studies which focused on the telecommunication industry looked at different aspects of customer satisfaction as opposed to online customer complaint response strategies. For instance, a study by Owiye (2012) analyzed customer satisfaction in the mobile telecommunications industry in Kenya. Hence, there are no studies that have focused on the influence of online customer complaint response strategies on customer satisfaction among telecommunication companies in Kenya. This study sought to fill this gap.

2.6 Conceptual Framework

![Conceptual Framework Diagram]

Figure 2.1 Conceptual framework
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research methodology and detail the research designs that were used in this project. It consists of; the research population, sampling size, sampling techniques, research procedures, and data collection methods and data analysis.

3.2 Research Design

The research used a descriptive research design which was cross-sectional and describes the statement of affairs as they are currently with the researcher possessing no control over the variables (Punch, 2013). When using this design, the researcher does not try to manipulate or even exert control over the phenomenon being studied, however he or she witnesses and measures as it happens. Simply this form of design attempts to describe the characteristics or even behavior of a sample population without influencing their behaviors in any way. For this research descriptive research design was adopted so as to explore and explain the online customer complaint response strategies adopted by Kenyan telecommunications companies and their influence on customer satisfaction. The reason for adopting descriptive research design was because the study tried to attain knowledge to categorize a problem for additional, sophisticated research. The method befitted the study since it looked at the perception or belief at a specific time.

3.3 Population

As argued by Taylor, Bogdan and DeVault (2015) population is the set of all individuals interested in the study or research. The present study targeted to determine the perspective of the customer complaint response strategies adopted by telecommunications companies. The population for the study consisted of 200 employees of one shift in the customer care department of three telecommunication companies in Kenya namely Safaricom, Airtel and Telkom. The choice of the three companies was due to the fact that they were the first to be established and have a large customer base.

3.4 Sampling Method

A researcher should select a sampling method which details the selection of the research participants for a specific study, while looking for an appropriate data collection method. This study used a stratified sampling method which had the target population subdivided into smaller
groups or strata. The strata were created based on the work shifts the respondents worked in and after division of the population into strata, simple random sampling was used to select employees in the customer service department. The technique was used for this study since it had a higher statistical precision when equated to simple random sampling since the variability in the subgroups is lesser compared to the variations in the entire populace. According to Mugenda & Mugenda (2012) any sample size that ranges between 10% - 30% is a descent representation of the target population hence 30% was used as the sample population. Hence, the number of respondents presented with the questionnaire was 60.

Table 3.1 Sampling Frame

<table>
<thead>
<tr>
<th>Companies</th>
<th>Target Population</th>
<th>Sample Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safaricom</td>
<td>90</td>
<td>27</td>
</tr>
<tr>
<td>Airtel</td>
<td>60</td>
<td>18</td>
</tr>
<tr>
<td>Telkom</td>
<td>50</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>200</strong></td>
<td><strong>60</strong></td>
</tr>
</tbody>
</table>

3.5 Data Collection

The research utilizes primary research methods to collect data from the participants. According to Noor (2008), primary data may be sourced through various techniques such as interviewing, direct observation, documents, cultural records, and analysis of artifacts, the utilization of visual materials and the utilization of individual experiences. The primary source of data collection was a questionnaire since it had the ability to reach a wider number of respondents in less time.

Questionnaires have the advantage of according respondents enough time to respond while giving them a sense of confidentiality since the researcher gives them room to give their opinion without supervision (Mugenda & Mugenda, 2012). The questionnaires were divided into major areas of research from the variables and were close-ended, making it more precise, standard, and easy to code. A five-point Likert-type questionnaire was used for the respondents. Likert (1932) developed an attitudinal measurement gauge, which aided the qualitative responses transfer into quantitative
values. Its aim was to measure values, awareness and attitudes of the participants (Blessing & Chakrabarti, 2009).

3.6 Research Quality

In order to establish the questionnaire’s validity and reliability, a pilot study where the questionnaire was tested on a 10% of the sample which is equivalent to 6 respondents and this was done to ensure it is relevant and effective. To avoid survey fatigue, the pilot study responses were included in the final study.

3.6.1 Validity

Construct and content validity were both used in the study. As regards construct validity, the questionnaire was divided into several parts and each part addressed a specific objective information and ensured the conceptual framework was also closely tied to it. On the part of content validity, the questionnaire was examined by the supervisor and checked for relevance of the statements in the questionnaire. Based on the evaluation, necessary adjustments were made on the instrument before its usage in the data collection exercise.

3.6.2 Reliability

Reliability is the level to which the results are accurate or degree to which a research tool yields results that are consistent (Cooper & Schindler, 2014). The internal consistency of the data measurement tool was check by carrying out the test of reliability using the Cronbach alpha. Cronbach’s Alpha helps the researcher establish whether the instruments would give consistent and reliable responses even when the questions are substituted with comparable ones. High reliability is indicated by a high score and a value of 0.7 accepted as a satisfactory coefficient of reliability (Valencia-GO, 2015). This study employed Cronbach Alpha to test for reliability. All the study variables were reliable as they had a Cronbach coefficient of 0.7 and above.

Table 3.2: Reliability

<table>
<thead>
<tr>
<th>Variable</th>
<th>No of Items</th>
<th>α=Alpha</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Satisfaction</td>
<td>6</td>
<td>0.734</td>
<td>Reliable</td>
</tr>
<tr>
<td>Be present</td>
<td>2</td>
<td>0.729</td>
<td>Reliable</td>
</tr>
<tr>
<td>Timely Responses</td>
<td>3</td>
<td>0.704</td>
<td>Reliable</td>
</tr>
<tr>
<td>Get Away from Public Eye</td>
<td>5</td>
<td>0.776</td>
<td>Reliable</td>
</tr>
</tbody>
</table>
3.7 Data Analysis

Data analysis incorporates the categorization, manipulation and summarizing of data with the objective of attaining answers to the study’s goal. Mugenda and Mugenda (2012) noted that the procedure of data analysis detailed the description as well as use of the ways that are intended for use in the analysis of data. The research utilized mean and standard deviations statistics to calculate the expected statistical results from the data obtained from the respondents. To ensure there is more clarity, bar graphs, charts and figures among others were used. Descriptive statistics were used to calculate each of the socio-demographic definite variables including: age, sex, and years at the workplace, and education levels. Measures of tendency were used to evaluate the perceptions of brands and their impact on the performance of their businesses within Nairobi County. Frequency distribution was evaluated in several ways including; median, mean, and mode. The researcher used Statistical Package for Social Science (SPSS) for the analysis.

Inferential statistics namely regression analysis was used in the study to infer the results. It is utilized when one has interest in predicting a continuous dependent variable from an independent variable. The model approach shows the percentage of the dependent variable total variation explained by the predictor variables, where this is assessed using the coefficient of determination (R2). Kothari, (2004) argues that analysis assesses the degree of relationship, and works as a numerical measure of direction and magnitude of common relationship amongst the values of more variables. For this research the key variable was computed using SPSS. Regression analysis was an appropriate method for evaluating the significance of the relationship between study variables.

3.8 Ethical Consideration

Punch (2013), noted that empirical research presents in it ethical questions such as respondents’ participation, confidentiality, anonymity that should be recognized by the researcher in addition to displaying how these issues are handled. Every respondent was treated with respect by the researcher while ensuring the respondents’ welfare is looked into at all times. Informed written consent was sought from respondents whilst clearly communicating the respondents’ right to refuse to participate in the study. There was no monetary compensation given to the participation. The researchers acted openly and ensured no data was misrepresented so as to ensure research integrity, objectivity and validity. The analysis of the findings was treated to the highest standards of scientific and statistical data analysis conventions. Confidentiality and anonymity of the
response collected data was observed by grouping the data failure to have respondent's write their names and organizational affiliation in the questionnaires. All information gathered in the course of the study was strictly used for academic purposes.
CHAPTER FOUR: PRESENTATION OF RESEARCH FINDINGS

4.1 Introduction

This chapter covers data analysis, findings and interpretation. Tables and figures are used in the presentation of results and the analyzed data arranged under themes which reflect the specific research objectives.

4.2 Response Rate

Sixty (60) questionnaires were administered to the customer service representatives of the three companies out of which 44 questionnaires were correctly filled and returned representing a response rate of 73.3% as tabulated below.

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Returned</td>
<td>44</td>
<td>73.3%</td>
</tr>
<tr>
<td>Not returned</td>
<td>16</td>
<td>26.7%</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.3 Demographic Characteristics

The demographic describes basic characteristics of the 60 respondents such as level of education and duration of work in the company.

4.3.1 Respondents’ Level of Education

The level of education of the respondents was captured in the questionnaire and results in Figure 4.1 show that 52.3% of the respondents had university level education while 47.7% of the respondents had college level education. This implies that the customer care representatives at telecommunication companies are educated.
4.3.2 Working Period

Included in the questionnaire was a question of how long one had worked in the company and more than half of the respondents (68.2%) responded to have worked in their respective companies for more than 4 years. Those that had worked for between 3 and 4 years followed with 22.73% while respondents who had worked 0 to 2 years accounted for 9.1% as shown in Figure 4.2 below. The results show that majority of the respondents had work experience in the respective telecommunication companies for some good amount of time inferring that they were in an informed positioned to complete the questionnaire.

Figure 4.1: Education level

Figure 4.2: Working Duration
4.4 Descriptive Statistics

This section presents the descriptive results on private responses, timely responses and online presence and customer satisfaction.

4.4.1 Online Presence

The study sought to assess the influence of online presence on customer satisfaction among telecommunication companies in Kenya. A Likert scale was used to rate the responses and the results summarized in Table 4.2 below. All respondents agreed that their companies had functioning social media accounts. Addition to having social media accounts, majority of the respondents (90.9%) of the respondents indicated that the companies have monitoring tools which were used to track comments/complaints/mentions in the social media accounts. Out of the 44 respondents, 72.7% were in agreement that they responded to all customer complaints they received in a day. Further, majority (70.5%) of the respondents were in agreement that their company increased its visibility through social media, a majority of 90.9% of the respondents accepted that their company has increased responds to every customer comment online while all the respondents agreed that their company has very transparent with customers online. The average mean on a 5-point scale of the responses related to being presents online was 3.3 signifying that majority of the respondents were agreement with the statements put forward. However, the standard deviation of the answers was 0.7. This implies that these companies are present online.

Table 4.2: Online Presence

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Moderate ly agree</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Mean</th>
<th>Std Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our company has monitoring tools to track complaints</td>
<td>0.0%</td>
<td>9.1%</td>
<td>40.9%</td>
<td>40.9%</td>
<td>9.1%</td>
<td>3.5</td>
<td>0.8</td>
</tr>
<tr>
<td>We respond to all complaints received in a day</td>
<td>0.0%</td>
<td>18.2%</td>
<td>9.1%</td>
<td>63.6%</td>
<td>9.1%</td>
<td>3.6</td>
<td>0.9</td>
</tr>
<tr>
<td>Our company runs social media accounts</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>49.9%</td>
<td>50.1%</td>
<td>4.6</td>
<td>0.6</td>
</tr>
<tr>
<td>Statement</td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Moderately agree</td>
<td>Agree</td>
<td>Strongly Agree</td>
<td>Mean</td>
<td>Std Dev</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>------------------</td>
<td>----------</td>
<td>-----------------</td>
<td>--------</td>
<td>----------------</td>
<td>------</td>
<td>---------</td>
</tr>
<tr>
<td>Our company has increased its visibility through social media.</td>
<td>0.0%</td>
<td>29.5%</td>
<td>0.0%</td>
<td>9.1%</td>
<td>61.4%</td>
<td>2.8</td>
<td>0.6</td>
</tr>
<tr>
<td>Our company has increased responses to every customer comment online.</td>
<td>0.0%</td>
<td>9.1%</td>
<td>0.0%</td>
<td>50.0%</td>
<td>40.9%</td>
<td>3.4</td>
<td>0.7</td>
</tr>
<tr>
<td>Our company is very transparent with customers online.</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>34.1%</td>
<td>65.9%</td>
<td>4.7</td>
<td>0.5</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.3</td>
<td>0.7</td>
</tr>
</tbody>
</table>

**4.4.2 Private Responses**

The study sought to evaluate the influence of private responses on customer satisfaction among telecommunication companies in Kenya. Results in Table 4.3 show that 79.6% agreed that their company uses other private channels to manage a social media conflict, 88.6% agreed that their company chooses to inbox customers with complaints directly via messenger to shun public eye while 79.6% agreed that their company pays keen attention to customers complaints when they physically visit the offices to deter the flooding of their complaints online. The responses average mean when put on a 5-point scale reads 4.3 meaning that most of the respondents concurred with the statements presented in the questionnaire on answering clients using private means. However, the responses given varied as revealed by a standard deviation of 0.7. This implies that these companies have made efforts of getting customers away from the public eye during complaints to safeguard their image.

**Table 4.3: Private Responses**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Moderately agree</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Mean</th>
<th>Std Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our company uses other private channels to manage a social media conflict.</td>
<td>0.0%</td>
<td>0.0%</td>
<td>20.5%</td>
<td>43.2%</td>
<td>36.4%</td>
<td>4.2</td>
<td>0.7</td>
</tr>
<tr>
<td>Our company chooses to inbox customers with complaints</td>
<td>0.0%</td>
<td>0.0%</td>
<td>11.4%</td>
<td>31.8%</td>
<td>56.8%</td>
<td>4.5</td>
<td>0.7</td>
</tr>
</tbody>
</table>
4.4.3 Timely Responses

The study sought to find out the influence of timely responses on customer satisfaction among telecommunication companies in Kenya. Results in Table 4.4 show that all the respondents agreed that their company respond to customers’ requests/complaints fast while 90.9% agreed that their company responds to customers’ requests/complaints across all social media platforms. The overall responses average mean was 4.3 which signify that a big percentage of the respondents were assenting to the statements presented in the questionnaire. Conversely, the responses were diverse as the standard deviation was 0.5. This implies that these companies have made efforts of giving their customers timely responses.

Table 4.4: Timely Responses

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Moderately agree</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Mean</th>
<th>Std Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our company respond to customers’ requests/complaints fast</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>79.5%</td>
<td>20.5%</td>
<td>4.2</td>
<td>0.4</td>
</tr>
<tr>
<td>Our company responds to customers’ requests/complaints across all social media platforms.</td>
<td>0.0%</td>
<td>0.0%</td>
<td>9.1%</td>
<td>43.2%</td>
<td>47.7%</td>
<td>4.4</td>
<td>0.7</td>
</tr>
<tr>
<td>Average</td>
<td></td>
<td></td>
<td></td>
<td>4.3</td>
<td>0.5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4.4.4 Customer Satisfaction

The study sought to establish the level of customer satisfaction among telecommunication companies in Kenya. A five-point scale was used to rate the responses and results summarized in Table 4.5 shown below. Fifty percent 50% of the respondents were in agreement that their
company provides efficient services, a big percentage of the respondents (90.9%) were in agreement that their companies offers 24 hours customer service operations while 70.4% of the respondents concurred with the statement that their company provides effectively services. Further, respondent who agreed that their company’s pricing strategy was fair accounted for 70.5% while 90.9% agreed that their company offers quality service. The responses overall average mean was 3.8 on a 5-point scale while the standard deviation was 0.7. This means that the companies have a high customer satisfaction level.

Table 4.5: Customer Satisfaction

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Moderately agree</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Mean</th>
<th>Std Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our company provides efficient services.</td>
<td>0.0%</td>
<td>20.5%</td>
<td>29.5%</td>
<td>50.0%</td>
<td>0.0%</td>
<td>3.3</td>
<td>0.8</td>
</tr>
<tr>
<td>Our company offers 24 hours customer service operations.</td>
<td>0.0%</td>
<td>0.0%</td>
<td>9.1%</td>
<td>50.0%</td>
<td>40.9%</td>
<td>4.7</td>
<td>0.6</td>
</tr>
<tr>
<td>Our company provides effectively services.</td>
<td>0.0%</td>
<td>29.5%</td>
<td>0.00%</td>
<td>38.6%</td>
<td>31.8%</td>
<td>3.1</td>
<td>0.8</td>
</tr>
<tr>
<td>Our company pricing strategy is fair.</td>
<td>0.0%</td>
<td>29.5%</td>
<td>0.0%</td>
<td>36.4%</td>
<td>34.1%</td>
<td>3.1</td>
<td>0.8</td>
</tr>
<tr>
<td>Our company offers quality service.</td>
<td>0.0%</td>
<td>0.0%</td>
<td>9.1%</td>
<td>56.8%</td>
<td>34.1%</td>
<td>4.5</td>
<td>0.6</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td><strong>0.0%</strong></td>
<td><strong>0.0%</strong></td>
<td><strong>9.1%</strong></td>
<td><strong>56.8%</strong></td>
<td><strong>34.1%</strong></td>
<td><strong>4.5</strong></td>
<td><strong>0.6</strong></td>
</tr>
</tbody>
</table>

4.5 Inferential Statistics

Inferential analysis was conducted to generate model of fitness, and analysis of the variance and regression coefficients.

4.5.1 Regression Analysis

The results presented in table 4.6 present the fitness of model used of the regression model in explaining the study phenomena. Private responses, timely responses and online presence were noted to be acceptable variables when explaining customer satisfaction in the telecommunication industry. This was because the coefficient of determination (R square) was 49.2% which means private responses, timely responses and online presence explain 49.2% of the variations of
customer satisfaction (dependent variable). Hence from these results, the model used to connect the variables relationship was satisfactory.

**Table 4.6: Fitness Model**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>R</td>
<td>0.702</td>
</tr>
<tr>
<td>R Square</td>
<td>0.492</td>
</tr>
<tr>
<td>Adjusted R Square</td>
<td>0.454</td>
</tr>
</tbody>
</table>

In statistics, the relation value between the independent and dependent variables is indicated using the significance testing hence a significance number less than 0.05 which is the probability value shows a model significant in explaining the variables relation.

An analysis of variance was calculated and the results showed a statistically significant model which is translated as the independent variables supports the dependent variable (customer satisfaction) in the telecommunication industry in Kenya. The F statistic was also in support with a value of 12.939 and a critical value of (0.000) which is less the 0.05 significance level.

**Table 4.7: Variance Analysis**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>0.445</td>
<td>3</td>
<td>0.148</td>
<td>12.939</td>
<td>0.000</td>
</tr>
<tr>
<td>Residual</td>
<td>0.459</td>
<td>40</td>
<td>0.011</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>0.904</td>
<td>43</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Results of the regression of coefficients in table 4.8 show a positive and significant relationship between private responses, timely responses and online presence and customer satisfaction in the telecommunication industry since the beta coefficients obtained were 0.100, 0.240 and 0.228 respectively. This shows that a unit change in the independent variables would result to a change in the dependent variable.

**Table 4.8: Regression of Coefficients**

<table>
<thead>
<tr>
<th>Variable</th>
<th>B</th>
<th>Std. Error</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>1.415</td>
<td>0.15</td>
<td>9.43</td>
<td>0.000</td>
</tr>
<tr>
<td>Online Presence</td>
<td>0.100</td>
<td>0.039</td>
<td>2.551</td>
<td>0.015</td>
</tr>
<tr>
<td>Private Responses</td>
<td>0.240</td>
<td>0.045</td>
<td>5.279</td>
<td>0.000</td>
</tr>
<tr>
<td>Timely Responses</td>
<td>0.228</td>
<td>0.054</td>
<td>4.227</td>
<td>0.000</td>
</tr>
</tbody>
</table>
CHAPTER FIVE: DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter brings the discussions drawn from the results obtained and draws the conclusion of the study.

5.2 Discussion

The study also sought to evaluate the influence of private responses on customer satisfaction among telecommunication companies in Kenya. Results showed that 79.6% agreed that the company uses other private channels to manage a social media conflict, 88.6% agreed that the company chooses to inbox customers with complaints directly via messenger to shun public eye while 79.6% agreed that the company pays keen attention to customers complaints when they physically visit the offices to deter the airing their complaints online. The average mean of responses and standard deviation was 4.3 and 0.7. This implies that these companies have made efforts of using private responses so as to safeguard their image. These findings concur with the assertions of Shammout and Haddad (2014) who sought to identify the most important impacts of complaints' handling on customers' satisfaction in the commercial banks' in Jordan. The results of the research showed that there is a statistically significant impact of the overall dimensions of complaint handling (service recovery, service quality, switching cost, service failure, service guarantee, and perceived value) on customer satisfaction.

The study’s objective was to find out the influence of timely responses on customer satisfaction among telecommunication companies in Kenya. Results showed that 100% of the respondents agreed that the company’s they worked for responded to customers’ requests/complaints fast while 90.9% were in agreement that they respond to customers’ requests/complaints across all social media platforms. The responses overall average mean and standard deviation was 4.3 and 0.5 respectively. This shows that these companies have made efforts of giving their customers timely responses.

These findings agree with the assertions of Cho, Im, Hiltz, and Fjermestad, (2002) study on online customer complaints. The study suggested that e-businesses need to provide topnotch online customer services since it is a key factor in online customer satisfaction. Also, fast responses to customers’ requests/complaints are vital since the speed at which one responds is critical in online
customer satisfaction compared to offline. Such companies therefore need to come up with strategies that are suitable for the product category in question.

Further, the study sought to assess the influence of online presence on customer satisfaction among telecommunication companies in Kenya. All respondents agreed that their companies had functioning social media accounts. Addition to having social media accounts, majority of the respondents (90.9%) of the respondents indicated that the companies have monitoring tools which were used to track comments/complaints/mentions in the social media accounts. Out of the 44 respondents, 72.7% agreed that they responded to all customer complaints they received in a day. Further, majority (70.5%) of the respondents agreed that their company increased its visibility through social media, a majority of 90.9% of the respondents accepted that their company has increased responds to every customer comment online while all the respondents agreed that their company has very transparent with customers online. This implies that these companies are actively present online. These findings are consistent with those of Floreddu, and Cabiddu (2016) who identified six communication strategies which organizations can utilize depending on the organizations’ reputation. First was egocentric strategy where the firm’s objective is to increase its visibility through social media and hence will just share information through its social media pages but not engage with the customers.

The regression results showed that there is a positive and significant relationship private responses, timely responses and online presence and customer satisfaction in the telecommunication industry as supported by beta coefficients of 0.100, 0.240 and 0.228 respectively. These results showed that an increase in the unit change of private responses, timely responses and online presence would result to better customer satisfaction in the telecommunication industry. These findings are consistent with those of Muriungi (2012) who sought to investigate the effectiveness of customer service: a case study of KCB Bank Group found that communication is key in any organization and therefore must be observed as a business requisite for its success.

5.3 Conclusion

The study concluded that online customer complaint response strategies influenced customer satisfaction in the telecommunication industry. Specifically, the study concluded that private responses, timely responses and online presence were the strategies that influenced customer satisfaction in the telecommunication industry.
The specific aspect of private response that influenced customer satisfaction included; use of other private channels to manage a social media conflict, in-boxing customers with complaints directly via messenger to shun public eye, and paying keen attention to customers complaints when they physically visit the offices to deter them from airing their complaints online. The specific aspect of timely response that influenced customer satisfaction included; quick response to customers’ requests/complaints, and response to customers’ requests/complaints across all social media platforms. Further, the specific aspect of online presence that influenced customer satisfaction included; existence of functioning social media accounts, existence of monitoring tools used to track comments/complaints/ mentions in the social media accounts, response to all customer complaints in a day, increased visibility through social media, increased response to every customer comment online and transparency with customers online.

5.4 Recommendations

The study recommends that companies in the telecommunication industry should adopt the right customer complaint response strategies so as to ensure consistency in customer satisfaction. They can achieve this through ensuring timeliness in giving responses to complaints as well as dealing with individual customer complaints privately. The study also recommends that other businesses should learn from the findings of the study and thereby adopt the right customer complaint response strategies

5.5 Limitations of Study

The analytical methodology for the study was scientific. The study failed to extract qualitative information that would have explained the soft and hidden issues that affect the relationship between customer complaint response strategies on customer satisfaction among telecommunication companies in Kenya. Although this is important the design of the study was more quantitative than qualitative. An interview or a focus group discussion would have yielded qualitative information and hence collaborate these results.

5.6 Recommendation for future research

The researcher further recommends that studies can be conducted to study the various complaints raised by the Kenyan market and calculate the actual response time companies take to respond to
the various forms of customer complaints. Further studies can look at the impact of automated responses on customer service compared to personalized responses in the Kenyan market.
REFERENCES


Chatterjee, P. (2001). "Online reviews- Do consumers use them?" *Association for consumer research*, 129-134.


APPENDICES

Appendix I: Questionnaire

Please tick within the boxes and fill the structured questionnaire with applicable answer to enable the study to be a success.

1. Highest Education Level Attained
   - High school [ ]
   - College [ ]
   - University [ ]

2. Duration of work in the company
   - 0 to 2 Years [ ]
   - 3 to 4 Years [ ]
   - Over 4 Years [ ]

Section B: Online Customer Complaints Responses

Please indicate your agreement with the following statements on a scale of 1 to 5, where 1 = Strongly Disagree, 2 = Disagree, 3 = Unsure, 4 = Agree and 5 = Strongly Agree

<table>
<thead>
<tr>
<th>Online Presence</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our company runs social media accounts</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our company has monitoring tools to track comments/ feedback</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>We respond to all customer complaints raised in day</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our company has increased its visibility through social media</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our company has increased response to every customer comment online</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our company has very transparent with customers online</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Timely Responses

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our company respond to customers’ requests/complaints fast</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our company responds to customers’ requests/complaints across all social media platforms</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Private Responses

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our company uses other private channels to manage a social media conflict</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Section C: Customer Satisfaction

6. How can you rate the level of customer satisfaction your company?

   High [ ] Low [ ]

Please indicate your agreement with the following statements on a scale of 1 to 5, where 1=Strongly Disagree, 2=Disagree, 3=Unsure, 4=Agree and 5=Strongly Agree

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our company provides efficient services.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our company offers 24 hours customer service operations.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our company provides effectively services.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our company pricing strategy is fair.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our company offers quality service.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

THANK YOU FOR YOUR RESPONSES
Appendix 2: List of Telecommunication companies in Kenya

1. Safaricom PLC
2. Airtel Kenya
3. Telkom Kenya
4. Kenya Data Network
5. Liquid Telecom Kenya
6. Jamii Telecommunication Limited
7. MTN Business
8. Internet Solutions
9. Access Kenya
10. Wananchi Group
11. Teledata Technologies

Sampled Companies

<table>
<thead>
<tr>
<th>Company</th>
<th>Year Established</th>
<th>No. of subscribers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safaricom</td>
<td>1993</td>
<td>25.7m</td>
</tr>
<tr>
<td>Airtel</td>
<td>2000</td>
<td>8.7m</td>
</tr>
<tr>
<td>Telkom Kenya</td>
<td>1999</td>
<td>4.5m</td>
</tr>
</tbody>
</table>