Service Characteristics and Service Quality of Organizations within the Telecommunications Sector; A Case of Safaricom Public Limited in Nakuru County

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ABSTRACT

Safaricom Public Limited Company faces diverse challenges regarding service quality aspects. The communication authority of Kenya ensures that the quality of service amongst the mobile service providers in Kenya is in compliance with Kenya Information and Communication Act of 1998. While the other telecommunication players like Airtel and Telkom Kenya improved in their service quality, Safaricom failed to register any service quality improvement. Safaricom further failed to meet the minimum service quality on eight of the ten regions that were checked by Communication Authority of Kenya. Safaricom has consistently performed poorly and below the minimum set quality threshold in relation to service quality for the four years preceding 2016 financial years in its performance. This study therefore sought to examine the influence of service characteristics on service quality of Safaricom Public Limited Company in Nakuru County. The study was guided by the following specific objectives: to examine the role of service intangibility, service inseparability, service perishability and service variability on the service quality of Safaricom public limited company in Nakuru County. This study adopted expectancy theory and servqual methods in meeting its objectives. This study used descriptive research design to guide the study in meeting its objectives. The study targeted the customers who enter into Safaricom Public Limited Company shop in Nakuru County in any particular day. A sample size of 95 customers was used. This study used structured questionnaires to obtain data from respondents of the study. This study used subject matter experts who comprises of the research supervisor and the four managers from the Safaricom Public Limited Company. Cronbach’s Alpha test of internal consistency was used to test the reliability of the questionnaire using the data obtained from the pilot study carried out using 10 respondents from Airtel Kenya. The filled questionnaires were checked for completeness and then coded and entered into Statistical Package for Social Sciences (SPSS) for analysis. Both descriptive and inferential statistics were used in the analysis of data. The entire analysis was presented in form of tables. The study revealed that the multiple regression model used in this study was statistically significant in predicting the level of service quality at Safaricom Public Limited in Nakuru County. In respect to this, it was found that quality of service at Safaricom Public Limited in Nakuru County could be significantly be predicted using service variability, service perishability, service intangibility, and service inseparability as predictor variables. It was also revealed that 77.6% of the variability in service quality at Safaricom Public Limited in Nakuru County is due to changes that occur in service variability, service perishability, service intangibility, and service inseparability. The model was found to be accurate in its prediction due to a small standard error of the estimate of 0.11327. The study findings and recommendations are of great importance to Safaricom Public Limited Company in understanding what needs to be addressed in order to improve the quality of service they offer to their customers. This study will also benefit customers of Safaricom Public Limited Company in receiving quality services as a result of readressing the previous methods of service delivery. Future researchers and academicians stand to benefit from this study as it lays the foundation on which their studies was based.
**Key Words:** Service Characteristics, Service Intangibility, Service Inseparability, Service Perishability, Service Variability, Service Quality of Organizations, Telecommunications Sector, Safaricom

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1. **Introduction**

Service quality within the telecommunication or mobile phone industry is of critical concern to diverse sectorial players around the world. In Malaysia, Arokiasamy & Abdullah (2013) notes that service quality is important in the country’s telecommunication industry due to extremely high competition within the industry. The country in 2013 had twelve mobile service providers that were serving a total of twenty seven million customers making it among the most competitive sector in the world. In Nigeria, Obinna (2011) noted that diverse service quality challenges were prevalent in the telecommunication sector in the country. Obinna (2011) noted that network reliability was of particular to concerns to telecommunication customers in the country especially those that had built their businesses around the telecommunication service availability. In Tanzania, Foya (2015) notes that service quality is important in the telecommunication industry due to the high levels of competition between the four players that is Airtel, Vodacom, Zantel and Tigo. In Kenya, the service quality of the telecommunication aspects is of critical importance to the Kenyans as well as the industry regulator that is Communication Authority of Kenya. According to The Communications Authority of Kenya, (2016) the quality of services are examined on all the telecommunication players in Kenya in order to comply with the Kenya Information and Communication Act of 1998. Amongst the indicators that the CAK utilizes in measuring the quality of service for the telecommunication sector includes call completion rate, call set up rate success, call drop rate, call block rate, speech quality, call set up time, handover success rate, and Rx Lev (The Communications Authority of Kenya, 2016).

Diverse aspects have been undertaken to examine service quality aspects. According to Sharif, Muslichah, Abdulrahman, & Mwinyi (2012) service quality relates to the overall assessment of the services received. In this context, Aghdaie & Faghani (2012) further notes that service quality relates to the difference in the perception of the service received compared to the expectation before service consumption. Paunovi (2014) further indicates that service quality can be perceived as the extent to which the provided service meets the customer expectations. Diverse metrics are utilized for the purposes of measuring service quality aspects within organizations. Amongst the most often used model for measuring the service quality is the service quality (SERVQUAL) model (Iddrisu, 2011). This model has five indicators of the service quality which include; reliability, responsiveness, empathy, tangibles and assurance aspects. In this context, Serek (2013) indicates that reliability refers to the ability of the apparatus to meet service expectations in relations to timelines and quality aspects amongst others. Other aspects that lead to reliability include the consistency of service provision. On the other hand, (Muthamia, 2016) notes that reliability relates to the consistency of performance as well as the dependability of the performance. The responsiveness has been viewed as the willingness to assist the client and to provide prompt services to the clients (Ying, 2010). This also involves the flexibility and accommodative nature to the customer needs and complaints amongst other aspects.
Muthamia (2016) further notes that responsiveness relates to the speed and timeliness of the service delivery aspects. Mugambi (2014) notes that assurance is the ability of the service provider to inspire trust and confidence during service provision. Muthamia (2016) further notes that assurance relates to the possession of the required skills set with a view of mitigating the risks that are prevalent in service purchase and delivery. Finally, empathy has been examined as the ability to care and give individual attention to the clients (Muthamia, 2016). The service characteristics has been seen as one of the component that can be used for the purposes of improving service quality in service industries across the world. Service characteristics is a specialized field of marketing that is utilized for the purposes of marketing of services (Al Otaibi & Yasmeen, 2014). This is due to the recognition that services possess diverse characteristics compared to products (Thongplean, 2012). These characteristics include intangibility, inseparability, perishability and variability aspects. The intangibility aspects of the service industry is due to the physical representation of the services and thus they can’t be touched or felt (Huotari & Hamari, 2011). The inseparability aspect of the service industry mean that the production and consumption of the services is not separable. This implies that the services can be produced and consumed simultaneously (Amofah, 2015). The perishability aspect of the service implies that the services cannot be stored or inventoried. Finally, the variability aspects of the services implies that for the same services that are provided there could be variance in relation to the quality and the experiences (Octavia, 2017).

1.1 Service Characteristics

Service intangibility lies in the fact that a service cannot be touched or seen as it is the case with products. The quality of the service to be delivered cannot be expressed in tangible measures or weights (Mugambi, 2014). However in service characteristics, tangible elements have to be attached at in order to convince customers to purchase a service being offered (Sharif et al., 2012). For example, the service provider can make the place of service delivery to be attractive as a promise that the intangible service was of high quality (Thongplean, 2012). There are five characteristics that are associated by the intangibility of a service. The first characteristics is that service cannot be touched. The second characteristics is that there is no acceptable way or precise method in which services can be standardized. Due to service intangibility, services cannot be patented and therefore no one can claim ownership or prevent other from offering the same service (Muthamia, 2016). The fourth characteristics of the intangibility nature of services is that no inventories can be kept for services and therefore service provider cannot take a stock of services in ownership. Due to the intangibility of services, the service provider cannot be separated from the service and therefore must be present at service delivery (Obinna, 2011). These intangibility characteristics of service have to be taken into consideration while providing a service to customers. Due to service intangibility, the quality of a service depends on the service provider rather than the service itself. Service inseparability is the impossibility to separate the service provider from the service. It is the ideas in one’s mind and cannot be separated from the person. Due to the service inseparability, production of the service happens at the same time with its consumption at the same place (Huotari & Hamari, 2011). Service inseparability therefore requires both the physical presence of the customer in order to receive the service. In addition, the service cannot be isolated from untargeted customers or people at the place of service delivery (Muthamia, 2016). The service producer and the service consumer have the ability to affect the outcome of service delivery due to expectations of both the parties. There the quality of a service depends on the service provider rather than the service itself. In order to improve the service quality, the service provider will need to improve on service delivery.
through training and research. In so saying the quality of a service is the true reflection of the capabilities of the service provider. In business, the quality of the service defines the quality of the business for the two cannot be separated (Phillip & Ochieng, 2015).

Service Perishability refers to the characteristics that a service cannot be stored for a future use. Once a service has been rendered, it cannot be returned to the service provider or resold to another customer or even transferred to another user. In other words the service expires as immediate as it is offered and if it needs to be used in the future, it has to be produced again. Perishability of service dictates that the service exists only at the time of consumption(Huotari & Hamari, 2011). In marketing perishability of the services is viewed as an advantage for service cannot be offered when the customers is not ready to purchase the service and therefore no non-moving stock as it is the case in goods (Ying, 2010). However due to perishability of the services, there is always a challenge of demand since high quality service offered in the past last only during the time it was being offered and cannot be retrieved back when demand rises (Thongplean, 2012). At the vent of high demand, the service cannot be transferred to all customers or mass production of the service for its perishability nature. In service industry, service providers only produce the service when it is needed and therefore the service providers need to be ready to offer the service for they cannot store it (Odeny, 2016). This implies when the service is not in high demand, service providers will earn less and when in high demand the service providers earn less.

Service variability is the changes that occur in delivery of the same service in terms of quality. It is not possible to service exactly the same way it was offered in the past and therefore the variability in the service delivery may result different satisfaction levels to the customers from one time to another (Muthamia, 2016). Service delivery varies due to changes in service providers, time of service delivery, place of service delivery and also in regard to the target customers (Arokiasamy & Abdullah, 2013). For example service delivery to illicit group of customers may differ from service delivery to illiterate customers in order to ensure that the service provider gains maximum profit from the service delivery from the two groups of customers(Huotari & Hamari, 2011). One employee in an organization may offer services in a different manner from another employee in the same company due to personal character traits, training and experience among other aspects (Maleeha, 2015). Four service variability aspects have been identified. One variability aspects is the variability on the availability of the service where during the peak seasons, the services may be below the demand and vice versa. Another aspect is variability in customer demands (Thongplean, 2012). Customers demand may be complex and unpredictable and therefore the service delivery is subject to vary depending on the requests of the customers. The third aspect of variability is capacity variability whereby the ability of a service provider may vary due to training and customer requests and therefore making the service delivery to vary from one time to another (Boafo, 2015). Customer preferences variability may keep varying and therefore the quality of the service delivery may vary depending on the references of customers as well as their needs.

1.2 Telecommunications Industry in Kenya

In the year 2015, Telecommunications Industry in Kenya was the smallest contributor to Kenya’s GDP at US$59.8 billion, which is equivalent to 0.9% of the total GDP of the county. Despite this low contribution to GDP, Telecommunications Industry in Kenya has been identified by the government as a major contributor to economic growth in future due to its rapid growth. From the year 2013, the number of subscribers has been on an increasing trend whereby in the year 2016 it was noted that mobile penetration had reached 89.2% while internet penetration reached 87.2% and broadband penetration 18.6%. In the first quarter of
the year 2018, there were four mobile operators in our country namely Safaricom Ltd, Airtel Networks Kenya Ltd, Telkom Kenya Ltd (formally known as Orange) and Essar Telecom Kenya Ltd (amalgamated with Airtel Networks Kenya Ltd) (The Communications Authority of Kenya, 2018).

These players have different levels of market penetration in the telecommunication industry in Kenya. For example, by the first quarter of 2018, Safaricom was the market leader by making a 65.4% leadership in the market followed by Airtel Networks Kenya Ltd and Telkom Kenya Ltd at low margins. By the end of the second quarter of the year 2018 financial year, a total of 32.2 million mobile subscriptions were made in the telecommunication industry in Kenya an increase form 31.8 million mobile subscriptions in the first quarter of the same year. This dynamic growth in telecommunication industry in Kenya has brought about positive and negative effects. The positive side of the growth is introduction of cheap products such as low call rates and high speed internet services in the contest of winning subscribers. The next generation of internet speed of 5G is based on the current growth in the industry. However, the growth has brought about challenges in service delivery such unreliable frequency spectrum, internet bundles loss, customer care challenges and fraud by con persons among others (The Communications Authority of Kenya, 2018).

1.3 Safaricom Public Limited in Nakuru County

Safaricom is a Public Limited Company operating in mobile network in Kenya. The company was formed in 1997 and was a fully-owned subsidiary of Telkom Kenya. The company had undergone various changes ranging from share ownership, management and scope of operations. In February 2018, the company changed its name from Safaricom Limited to Safaricom Public Limited Company in order to comply with section 53 of the Companies Act, 2015. Safaricom Public Limited Company is the leading Kenyan communications company in providing a wide range of communication services such as mobile services, voice services, messaging services, financial services (such as M-Pesa and M-Shwari), data services, and converged services to its customers. In the financial year ending 31st March 2018, Safaricom Public Limited Company made a 14.1% growth in net profit of Ksh55.29 billion up from Ksh48.44 billion recorded in the financial year ending 31st March 2017.

2. Statement of the Problem

Safaricom has had diverse challenges with service quality aspects. The communication authority of Kenya examines the quality of service amongst the mobile service providers in order to be in compliance with Kenya Information and Communication Act of 1998 (The Communications Authority of Kenya, 2016). Safaricom has consistently performed poorly and below the minimum set quality threshold of 80% in relations to service quality for the financial years 2012/13, 2013/14, 2014/15 and 2015/16 respectively with a performance of 50%, 62.5%, 62.5% and 62.5% respectively (The Communications Authority of Kenya, 2016). While the other telecommunication players that is Airtel and Telkom Kenya improved in their service quality from 62.5% to 75.0% for both of them, Safaricom failed to register any service quality improvement (The Communications Authority of Kenya, 2016). Safaricom further failed to meet the minimum service quality on eight out of the ten regions that were checked by Communication Authority of Kenya (The Communications Authority of Kenya, 2016). Service characteristics is one aspect that can be used to improve on the service quality aspects in a service industry (Thongplean, 2012). This study seeks to establish the manner in which service characteristics influences service quality with a focus on the role of service intangibility, service inseparability, service perishability and service variability on the service quality aspects. This study sought to address the literature gaps in the available literature on service characteristics and service quality aspects. Amongst the scholars who
have examined influence of service characteristics on service quality include Thanimlaksana (2010), Munuthi (2014), Amofah (2015) and Muinde (2012). These studies have however not linked the aspects of service characteristics on service quality which is the focus of this study.

3. Objectives of the Study

The study sought to examine the influence of service characteristics on service quality of Safaricom public limited in Nakuru County.

Specifically, the study sought to achieve the following objectives:

i. To examine the influence of service intangibility on the service quality of Safaricom public limited company in Nakuru County, Kenya.

ii. To evaluate the influence of service inseparability on the service quality of Safaricom public limited company in Nakuru County, Kenya.

iii. To assess the influence of service perishability on the service quality of Safaricom public limited company in Nakuru County, Kenya.

iv. To examine the influence of service variability on the service quality of Safaricom public limited company in Nakuru County, Kenya.

4. Theoretical Review

Servqual and expectancy theories was used to guide the study.

4.1 Servqual Theory

Servqual Theory was developed by Parasuraman, Zeithaml, and Berry in the year 1985 to explain service quality aspects in service delivery firms (Asgarian, 2010). The theory was based on ten elements, namely; access, responsiveness, reliability, courtesy, competence, assurance, security, tangibles, knowing the customers and understanding the credibility of the customers. According to the theory, meeting the ten elements leads to customer approval of service delivery and therefore customer satisfaction (Ariff, Yun, Zakuan, & Ismail, 2013). The theory underwent some changes and the ten elements in service delivery were later on in the year 1988 reduced to five. The five elements were; tangibles, responsiveness, assurance, reliability and empathy. These five elements were widely applied to service industry in diverse sectors (Thanimlaksana, 2010).

Tangible refers to the physical appearance and arrangement of tools, personnel or materials that are used to provide service in the firm or organization. This may be the appearance of communication materials an organization uses to offer services as well as the appearance of employees offering the services (Jere, 2015). Branding the communication materials and having service providers in uniform of the company proving the service may improve on the quality of service delivery and customer satisfaction (Ochieng, 2014). Responsiveness on the other hand refers to the ability of the employees to willingly respond to the needs of the customers in a timely manner (Githachuri & Kimathi, 2013). The time that it takes for a customer to be assisted and the level of willingness of the employees to help the customers is a measure of responsiveness of the organization (Munuthi, 2014). Assurance refers to the ability of employees or the organization to inspire trust and confidence in the customers (Muinde, 2012). The level of customers trust and confident of the organization depends of knowledge and curtesy of organization’s employees as well as past experiences (Amofah 2015).

Reliability on the other hand refers to the ability of the service provider to deliver on the promised deliverables and the level in which the customers can depend on the service
provided to solve their problems or meet their expectations (Mwangi, 2015). Lastly, the fifth dimension of Servqual theory refers to the ability of service provider to give personal care and attention as well as the ability to show understanding to the problems and needs of each customer (Kisu, 2015). These dimensions informs on the quality of service delivery considerations by the Safaricom Public Limited Company under investigation. Therefore, the theory was crucial in guiding the study to establish the influence of service characteristics on the service quality of Safaricom public limited company in Nakuru County, Kenya.

4.2 Expectancy Theory

Expectancy theory was developed by Vroom, Porter and Lawler in 1964 (Kimani, 2014). The expectancy theory states that a person is motivated to work hard or put more effort in doing a given task in order to receive rewards. Employees believe that there is relationship between the effort they give in doing a task and the reward they contain on their performance. On putting more effort in they work, the employee’s performance increases and so does their rewards for the good performance. According to (Aghdaie & Faghani, 2012), the expectancy theory is based on four assumptions. The first assumptions are that employee joins an organization with expectations of meeting individual needs and interest. The second assumption is that employee’s behaviour in the organization is out of employee’s choice as informed by individual expectations. The third assumption is that employees have different things they want to achieve through the organization and the last assumption is that the employees choose among alternatives to optimize of those alternatives that suit them personally. However, (Li, 2013) argue that employees may not be motivated by rewards attached to good performance but their experience and understanding of the work, past experiences, organizational culture among others factors.

The expectancy theory guided this study in examining the role of promotion and productivity aspect of service marketing on the service quality of Safaricom public limited company in Nakuru County, Kenya. The theory fits in this study since Safaricom Public Limited Company rewards all their service promotion personnel in form of commission and other bonuses on attaining a predetermined performance targets. Therefore the employees work hard to obtain good performance in terms of meeting the set job targets and the good performance results into rewards to the employee.

5. Empirical Review

This section reviews all relevant studies in service marketing and service quality.

5.1 Intangibility of Service and Service Quality

Service delivery poses a threat to customers due to intangibility of service due to this, customers may wish to have a physical proof of service delivery. By providing a proof or evidence of service delivery may result into further and future purchases. More times than not, the only evidence of good service delivery is through referrals as a result of past service delivery. For previous buyers of service from a given service provider to recommend the same service to other potential customers, the past services offered must have met the quality expectations of the customers. Therefore, the physical evidence of service marketing to customers is highly linked to the level of service quality (Amofah, 2015). The role of physical evidence is critical to the service quality aspects. Thanimlaksana, (2010) in a study on the TMB bank in Thailand conceptualized the physical evidence of service marketing as refers to whatever customers can see before purchasing that may include physical environment, packaging, and supporting collateral amongst others. The study found that the respondents on average tended to agree on the presence of diverse physical evidence aspects of service marketing. In this context, Thanimlaksana (2010) noted that TMB has modern
equipment at service points (mean of 3.92), TMB bank dress smartly and professionally (mean of 3.89), TMB bank has a good image (mean of 3.96), and TMB bank branches are modern (mean of 3.88).

Focusing on Wynton house of music, Munuthi (2014) examined the role of physical evidence on the service quality aspects. Descriptive survey research design and stratified random sampling technique was used to achieve a sample size composed of 18 administrative staff, 22 teaching staff and 69 students. Closed-ended questionnaires were used in data collection. The study conceptualized the physical evidence as the environment in which the service is provided. The study using a five point likert scale found that the respondents on average tended to agree with the physical evidence aspects that were available at the Wynton house of music. In this context, the study found that Wyton house of music had few branches to provide its services (mean of 3.85), small premises for service delivery (mean of 3.50), and easily accessible (mean of 3.46). In Ghana, Amofah (2015) undertook a study that sought to examine the role of service marketing mix on the customer choice of restaurant in Kumasi region. The study used a mixed methodology with both qualitative and quantitative research methodologies used for the study. A sample size of 293 restaurant customers were used for the study and semi structured questionnaire used for data collection. The study conceptualized the physical evidence as all the tangible elements within an organization that provides friendly atmosphere in the service industry. Amongst the aspects of physical evidence that the study examined included restaurant having well decorated environment (mean of 3.87), presence of spacious parking (mean of 3.03), and presence of open air zone for smokers (mean of 2.34). The study further found that the physical evidence was positively and significantly correlated with repeat purchase aspects with a correlation coefficient of 0.509.

In a study focusing on the Non-Banking financial institutions in Kenya, Muinde, (2012) examined the role of physical evidence application on service delivery in those institutions. The study used a sample size of 30 respondents and used structured questionnaires for data collection. In the study, physical evidence was characterized as appearance and physical setting in which the service is provided and demonstrates and promises quality. Using a five point likert scale, the study found the following aspects of physical evidence being applicable in the non-banking financial institutions; banking hall being well ventilated (mean of 4.66), attractiveness of interior design of the bank (mean of 4.62), exterior of the organization being well maintained (mean of 4.27), and adequacy of parking place (mean of 3.57). In a study focusing on the private hospitals in Nairobi county, Mwangi (2015) examined the role of marketing strategies on the performance of the hospitals. The study was based on a target population composed of 28 private hospitals and census sampling methodology was used for the study. Data was collected through use of structured questionnaires. The study conceptualized the physical evidence as the environment in which the service is delivered, where the firm and the customer interact, and any tangible components facilitating performance of the service. Using a five point likert scale, the study found that the respondents were in agreement with the physical evidence used in private hospitals. Amongst these aspects included comfortable environment with good directional signs (mean of 4.00), up to date and well maintained equipment (mean of 4.27), and cleanliness of the hospital facilities (mean of 4.50).

5.2 Inseparability of Service Marketing and Service Quality

The process of transforming inputs into outputs that are of value to the clients are aligned to inseparability of service marketing. In marketing a products in service industry, frequency of provision of new products and impression of the customers during service provision are
crucial in determining the sales volumes. For a service provider to increase the sales volumes through product service marketing, the service provider must increase the frequency of production of the service product as well as the quality of the services in order to be appealing to the customers. Therefore, the quality of service is highly linked to its inseparability aspects of service and also determines the marketing strategies (Kisu, 2015). The Product aspects were examined by Thanimalaksana (2010) within the context of a study focusing on the TMB bank in Bangkok city, Thailand. The study examined the aspects of product using two components that is frequency of provision of new products and impression of the customers during service provision. In this context, Thanimalaksana (2010) found that the respondents on average tended to agree that the bank regularly provides new products (mean of 3.88), and TMB bank impresses its customers during service use (mean of 3.83).

Mwangi (2015) examined the role of marketing strategies and performance of private hospitals in Nairobi County. Amongst the aspects that the study examined included aspects of Product. The study conceptualized Product as the introduction of new products and services into the market. Mwangi (2015) found that the product strategy that was utilized to improve service marketing included introduction of new health services (mean of 3.53), offering of considerable range of health services (mean of 3.47), and use of customer service as the central pillar of hospital service industry (mean of 4.00). Focusing on the Kenya Revenue Authority, Kimani (2014) examined the role of marketing strategy on the performance of the firm. The study utilized a case study research design and target population from the marketing department of KRA. In this context sixty respondents were used in the study. Data was collected through qualitative interview schedule. The study found that amongst the aspects that included Product aspects were branding and packaging aspects. Others were branding of new tax collection mechanisms and packaging them in an attributable manner to the tax payer. The product component of the service marketing aspect was further examined by Amofah (2015) in a study focusing on customer choice of restaurants in Kumasi, Ghana. The study conceptualized the product as any tangible or intangible benefit that is offered to the market for acquisition in order to satisfy a need. The study used a mixed methodology with both qualitative and quantitative research methodologies used for the study. A sample size of 293 restaurant customers were used for the study and semi structured questionnaire used for data collection. In respect to the product aspects of the service marketing the study found diverse agreement levels in relations to the products offered in the hotel. In this context, Amofah (2015) found that food served was tasty (mean of 3.931), restaurant offering variety of foods (mean of 3.730), restaurant providing good packaging (mean of 3.928), and good brand name of the restaurant (mean of 3.433). Kisu (2015) in a study on the effect of marketing strategies on the performance of seed companies in Kenya examined Product aspects of service marketing. The study conceptualized the products strategy as the aspects of production of goods and services for sales including aspects such as packaging, new product development, trademarks and product image amongst others. The study found that diverse aspects were considered in product strategy. This included efficiency in meeting customer needs (mean of 3.92), provision of products with low probability of failure (mean of 3.81), product development with broad market appeal (mean of 3.73), firm development of innovative products (mean of 3.58), and firm offering of broad line of products (mean of 3.41).

5.3 Perishability of Service Marketing and Service Quality

Perishability of service to a large extent determines its promotion strategies and methods. Service promotion may entail the following aspects; advertising, sales promotion, public relations or publicity, personal selling and direct marketing. The goals of service promotion may be to attract new customers, increasing the level of service awareness, increasing sales,
or expanding the level of market penetration. For the service to attract new customers, increase the level of sales and expand the level of market penetration, the service has to be of high quality compared to its substitutes in the market. Therefore, before doing a service promotion, an organization must review the quality of their service in order to present the best alternative to the customers (Ochieng, 2014).

The role of promotion aspects of service marketing has been examined by diverse scholars across the world. Thanimlaksana (2010) examined the role of service marketing mix with the context of use of TMB bank’s services in Bangkok Thailand. A cross sectional research design was utilized for the study. The study used a sample size of 280 respondents that were bank’s customers and derived using accidental sampling method. A five point likert based questionnaire was utilized for the study. The study conceptualized promotion as the markets’ communication to the customers and potential customers with a view of utilizing the company’s products and services. In this context, Thanimlaksana, (2010) noted that promotion consists of diverse aspects such as advertising, public relations, word of mouth and point of sale. Using the five point likert scale, the study found that a majority of the respondents were in agreement on the various aspects of promotion aspects. In this context the study found that in a five point likert scale, presence of TMB advertisement in diverse media, presence of information board for updating TMB’S products, and customers’ receipt of the bank’s souvenirs had means of 4.04, 3.80, and 3.59 respectively. There was moderate consensus in respect to these responses due to standard deviations that were between 0.5 and 1.

In Malawi, Jere (2015) undertook a study that examined the influence of marketing strategies and performance of telecommunication companies with a comparison between TNM and Airtel companies. The study deployed mixed approached in research methodology with both exploratory descriptive and comparative approaches being used for the study. The study utilized a sample size of 84 respondents that were purposively chosen and constituted the subscribers of the two firms. The study conceptualized promotions as the efforts undertaken by the company in providing tangible cues with an attempt of tangibilizing the intangible aspects of services. The study noted that diverse media are used for the purposes of promotion activities including radio (32%), SMS (27%), television (26%), and newspapers (16%). Jere (2015) also examined the different perceptions that were prevalent amongst the respondents. In this context, 61.9% and 50.0% of the respondents agreed that the promotional prices were well distributed at TNM and Airtel respectively. In respect to the promotion attracting subscribers and increase in usage, 42.8% and 57.1% of the respondents agreed in respect to TNM and Airtel respectively.

Focusing on alcoholic industry in Kenya, Ochieng (2014) sought to examine the role of promotion on the consumer behaviour. To achieve its objectives the study utilized the descriptive survey research design and a target population of 100 respondents composed of bar managers that were purposively chosen. Data was collected using structured questionnaires. The study conceptualized promotions as the direct attempt of the organization to reach its target market through advertising, personal selling, public relations and direct marketing. Using a five point likert scale (1 = Not at all, 2 = small extent, 3 = moderate extent, 4 = large extent and 5 = very large extent), the study sought to examine the diverse promotion aspects that are utilized in alcoholic industry. Amongst the aspects found include premium product (mean of 4.488), extra product (mean of 4.15), free sample (mean of 3.714), and reduced price (mean of 4.026). The study further found that the aspects that influenced the effectiveness of the sales promotion included appearance of sales personnel (mean of 4.131), display of products (mean of 4.289), and raffles (mean of 4.435).
5.4 Variability of Service Marketing and Service Quality

Variability of a service determines the process aspects of service delivery. Processes is the sixth element of service marketing mix and it involves procedures, schedules, tasks, activities, mechanisms and routines used by service providers in offering services to customers. To deliver a high quality service, the process used to deliver the services must be well thought out and executed. Well defined procedures of offering a service, outlined tasks and activities to be performed in service delivery and proper mechanisms in service delivery would result to high regard for the services by customers and therefore improving on the quality of the service delivery (Githachuri & Kimathi, 2013). Thanimlaksana (2010) in their study based in the Bangkok city in Thailand examined process aspects within the context of a bank. The study found that the respondents on average tended to agree on the presence of diverse process aspects within the TMB bank. In this context, Thanimlaksana (2010) found that the bank had possession of new technologies for customer service facilitation (mean of 3.99), TMB bank stationery were easy to use (mean of 3.76), and TMB counter service having simple processes of use (mean of 3.63). This indicated that the respondents on average tended to agree with those metrics.

Kisu (2015) undertook a study that sought to examine the role of marketing strategies on the performance of seed companies in Kenya. In the context of research design, the study utilized a cross sectional research design with a target population consisting of 112 seed companies in Kenya. Structured questionnaires were utilized for data collection purposes. Kisu (2015) conceptualized process aspects within service marketing as the processes, procedures, mechanisms and flow of activities in which the activities are consumed. Using a five point likert scale, the study found that the respondents on average tended to agree with diverse aspects of process aspects of the seed companies including; company packaging its products in branded materials (mean of 4.64), seed company playing close attention to marketing activities of the seed (mean of 4.13), and company having common criteria for the seeds to guarantee consistency (mean of 3.95). Using regression analysis, the study found that a unit increase in processes led to 0.336 increase in sales performance of the seed companies. This results was found to be statistically significant at 5% level of significance. Focusing on the financial inclusion aspects in Uganda and Kenya, Githachuri & Kimathi (2013) examined the role of service marketing process on the financial inclusion aspects. The study utilized a sample size of 230 respondents derived from the two countries and structured questionnaires for data collected in selected areas in the two counties. The study conceptualized the service process as the extent to which the service industry has set a customer oriented and systematic procedures for successful service delivery aspects. Using a five point likert scale, the study found that it was easy to open a bank account (mean of 3.11), easy to open and operate additional accounts (mean of 4.41), easy to register and use mobile banking (mean of 4.21), and few documentation required for products registration (mean of 3.63). Using private hospitals in Nairobi County, Mwangi (2015) examined the role of processes aspects of service marketing on the performance of the hospitals. The study conceptualized processes as the expressive performance of service that includes aspects such as duration of service delivery, empathy, assurance and employee effort. The study found that in respect to processes aspects at the hospitals the respondents were uncertain on the length of wait (mean of 3.00), acceptance of patient feedback aspects to improve health services (mean of 4.25), and confidentiality of the patient cases (mean of 4.53).

6. Conceptual Framework

This study seeks to examine the influence of service characteristics on service quality of Safaricom Public Limited Company in Nakuru County using service intangibility, service
inseparability, service perishability and service variability as independent variables and service quality as dependent variables. Figure 1 shows the conceptualized association of the study variables.

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Dependent Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Intangibility of service marketing</strong></td>
<td><strong>Service Quality</strong></td>
</tr>
<tr>
<td>Ventilation of customer service hall</td>
<td>Meeting service expectations of customers</td>
</tr>
<tr>
<td>Accessibility of customer care offices</td>
<td>Flexibility in service delivery</td>
</tr>
<tr>
<td>Attractiveness of customer care offices</td>
<td>Trust by customers</td>
</tr>
<tr>
<td>Use of technology in customer care offices</td>
<td>Ability to give individual attention to the every customer</td>
</tr>
<tr>
<td>Smartness of dressing of employees at customer care offices</td>
<td>Speed in customer service delivery</td>
</tr>
<tr>
<td><strong>Inseparability of service marketing</strong></td>
<td></td>
</tr>
<tr>
<td>Provision of new services</td>
<td></td>
</tr>
<tr>
<td>Efficiency in meeting customer needs</td>
<td></td>
</tr>
<tr>
<td>Level of innovative in products for their customers</td>
<td></td>
</tr>
<tr>
<td>Range of telecommunication services</td>
<td></td>
</tr>
<tr>
<td>Packaging of services</td>
<td></td>
</tr>
<tr>
<td><strong>Perishability of Service</strong></td>
<td></td>
</tr>
<tr>
<td>Range of promotion channels</td>
<td></td>
</tr>
<tr>
<td>Advertisements for services offered</td>
<td></td>
</tr>
<tr>
<td>Relevance of information regarding their services</td>
<td></td>
</tr>
<tr>
<td>Relationship with the general public</td>
<td></td>
</tr>
<tr>
<td>Discount on products</td>
<td></td>
</tr>
<tr>
<td><strong>Variability of Service</strong></td>
<td></td>
</tr>
<tr>
<td>Procedures in customer service delivery</td>
<td></td>
</tr>
<tr>
<td>Technologies in customer service facilitation</td>
<td></td>
</tr>
<tr>
<td>Length of wait at customer service hall</td>
<td></td>
</tr>
<tr>
<td>Sections for customer service delivery</td>
<td></td>
</tr>
<tr>
<td>Adherence to privacy needs of the customers</td>
<td></td>
</tr>
</tbody>
</table>

*Figure 1: Conceptual Framework*
7. Research Methodology

This study used descriptive research design to guide the study in meeting its objectives. Descriptive research design refers to a research method whereby the data about a phenomenon is collected in its natural setting without manipulating it (Sekaran, 2003). This study sought to collect data directly from the Safaricom offices in Nakuru County. This study targeted the customers who visit Safaricom Public Limited Company shop in Nakuru County in any particular day. There are three Safaricom shops in Nakuru County that is Safaricom Nakuru Branch, Safaricom Naivasha Branch, and Safaricom West End Branch. The three branches receive an average of 1950 customers visiting on a given day. The customers are able to rate the quality of service they contain from the service provider objectively and in unbiased manner. The proportionate stratified sampling method was utilized in which the respondents was sourced amongst the three Safaricom shops based on their numerical strength in the population. The proportionate stratified sampling is used due to its ability to increase the representativeness of the sample.

This study used structured questionnaires to obtain data from respondents of the study. Structured questionnaire present a quick way of data collection as all the possible answers to the questions are provided for the respondent to choose one (Orodho, 2003). This was appropriate since customers do not stay for long in the waiting hall in Safaricom offices. The filled questionnaires was checked for completeness and then coded and entered into Statistical Package for Social Sciences (SPSS) for analysis. Coding involves assigning a value to a response on a qualitative statement and in line with the Likert scale used for the purposes of quantitative data analysis. Both descriptive and inferential statistics was used in the analysis of data. Descriptive statistics that was used in this study include; frequency, mean and standard deviation. For inferential statistics, a multiple regression model was used to show the relationship between the independent variables and dependent variable of the study. The entire analysis was presented in form of tables. In examining the influence of service marketing on service quality of Safaricom public limited company in Nakuru County, the study used the following regression model to explain how various service marketing aspects affect the quality of service offered by Safaricom.

\[
Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \epsilon
\]

Where;

- \( Y \) = Service Quality
- \( \beta_0, \beta_1, \beta_2, \beta_3, \beta_4 \) = Model Coefficients
- \( X_1 \) = Service Intangibility
- \( X_2 \) = Service Inseparability
- \( X_3 \) = Service Perishability
- \( X_4 \) = Service Variability
- \( \epsilon \) = Standard Error of Estimate

8. Research Findings

The study used multiple linear regression to establish the influence of service characteristics on service quality at Safaricom Public Limited in Nakuru County as well as answering the research questions of this study. Table 1 shows the model summary for the multiple linear regression to predict the level of service quality using service variability, service perishability, service intangibility, and service inseparability as predictor variables.
Table 1: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.881^a</td>
<td>0.776</td>
<td>0.765</td>
<td>0.11327</td>
</tr>
</tbody>
</table>

\(^a\) Predictors: (Constant), Service Variability, Service Perishability, Service Intangibility, Service Inseparability

The study revealed that there was a strong correlation between the observed and predicted values of service quality. This is due to R value of 0.881. This implied that the regression model provided a good fit for the data and therefore comes close at predicting the dependent variable of the study. It was also revealed that 77.6% of the variability in service quality at Safaricom Public Limited in Nakuru County is due to changes that occur in service variability, service perishability, service intangibility, and service inseparability. This is due to a coefficient of determination of 0.776 (R^2=0.776). The study further found out that in the event of adding another predictor variable to the regression model, the model would improve less than expected and there the four predictor variables in this model should be retained. This is due to Adjusted R^2 (0.765) being less than the R^2 (0.776). The model was found to be accurate in its prediction due to a small standard error of the estimate of 0.11327.

The study further sought to establish the significance of the model using Analysis of Variance (ANOVA). This was done by examining the F-statistics value and its associated p-value in respect to the chosen significance level of 0.05 as shown in Table 2.

Table 2: ANOVA^a

<table>
<thead>
<tr>
<th>Model</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>3.599</td>
<td>4</td>
<td>0.900</td>
<td>70.124</td>
<td>0.000^b</td>
</tr>
<tr>
<td>1 Residual</td>
<td>1.039</td>
<td>81</td>
<td>0.013</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>4.638</td>
<td>85</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^a\) Dependent Variable: Service Quality

\(^b\) Predictors: (Constant), Service Variability, Service Perishability, Service Intangibility, Service Inseparability

The study established that the regression model was statistically significant at 5% significance level due to the calculated F\_calculated (0.05, 4, 81) of 70.124 which is greater than F\_critical (0.05, 4, 81) of 2.4844. This therefore implied that at least one of the predictors significantly influences the service quality at Safaricom Public Limited in Nakuru County. Therefore, the regression model provides a better fit for data than a model with no predictor variables.

The study further sought to establish whether each of the predictor variable significantly influences the level service quality at Safaricom Public Limited in Nakuru County. The results are shown in Table 3.

Table 3: Coefficients^a

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>0.030</td>
<td>0.224</td>
<td>0.133</td>
<td>0.894</td>
</tr>
<tr>
<td>1 Service Intangibility</td>
<td>0.216</td>
<td>0.034</td>
<td>0.342</td>
<td>6.334</td>
</tr>
<tr>
<td>Model</td>
<td>Unstandardized Coefficients</td>
<td>Standardized Coefficients</td>
<td>t</td>
<td>Sig.</td>
</tr>
<tr>
<td>------------------------------</td>
<td>----------------------------</td>
<td>---------------------------</td>
<td>-------</td>
<td>------</td>
</tr>
<tr>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Inseparability</td>
<td>0.223</td>
<td>0.035</td>
<td>0.358</td>
<td>6.413</td>
</tr>
<tr>
<td>Service Perishability</td>
<td>0.272</td>
<td>0.033</td>
<td>0.460</td>
<td>8.223</td>
</tr>
<tr>
<td>Service Variability</td>
<td>0.279</td>
<td>0.033</td>
<td>0.445</td>
<td>8.355</td>
</tr>
</tbody>
</table>

**a. Dependent Variable: Service Quality**

The study revealed that there was a positive relationship between service intangibility and the quality of service at Safaricom Public Limited in Nakuru County. This is due to positive unstandardized beta coefficient of 0.216. There was also a positive relationship between service inseparability and the service quality at Safaricom Public Limited in Nakuru County. This is due to a positive unstandardized beta coefficient of 0.223. A positive unstandardized beta coefficient of 0.272 was achieved in respect to service perishability and therefore implying that there was a positive relationship between service perishability and the quality of service at Safaricom Public Limited in Nakuru County. Similarly, there was a positive relationship between service variability and service quality as evidenced by a positive unstandardized beta coefficient of 0.279.

The study further revealed that a unit increase in service intangibility would lead to 0.216 units increase in service quality at Safaricom Public Limited in Nakuru County due to a p-value less than the significance level of 0.05. This concurs with a study by Amofah (2015) found that the service intangibility was positively and significantly correlated with service quality. Similarly, a unit increase in service inseparability would lead to 0.223 units increase in service quality at Safaricom Public Limited in Nakuru County as evidenced by p<0.05. Kisu (2015) also found out that there was a significant influence of service inseparability on service delivery. It was also revealed that a unit increase in service perishability would lead to 0.272 units increase in service quality at Safaricom Public Limited in Nakuru County due to a p<0.05. This concurs with the findings by Jere (2015) who noted a significant relationship between the perishability of the services and its quality. A unit increase in service variability was seen to increase in service quality at Safaricom Public Limited in Nakuru County by 0.279 units as evidenced by p-value less than the significance level of 0.05. A positive and significant relationship between variability of service and its quality was also established by Githachuri and Kimathi (2013). The resultant equation was; \[ Y = 0.030 + 0.216X_1 + 0.223X_2 + 0.272X_3 + 0.279X_4 + 0.11327. \] Where; \( Y \) = Service Quality, \( X_1 \) = Service Intangibility, \( X_2 \) = Service Inseparability, \( X_3 \) = Service Perishability, \( X_4 \) = Service Variability.

**9. Conclusion**

In view of intangibility, the study concluded that a positive relationship between service intangibility and the quality of service at Safaricom Public Limited in Nakuru County. To a large extent there was ventilation of customer service hall, accessibility of customer care offices, attractiveness of customer care offices, use of technology in customer care offices, and employees were smartly dressed at customer care offices. In respect to service inseparability, the study concluded that there is a positive relationship between service inseparability and the service quality at Safaricom Public Limited in Nakuru County. To a large extent, Safaricom was keen on providing new services, meeting customer needs,
developing innovative products for their customers, offering a wide range of telecommunication services, and packaging their services in an attractive manner. In regard to service perishability, the study concluded that there is a positive relationship between service perishability and the quality of service at Safaricom Public Limited in Nakuru County. Safaricom Customer Care shops to a large extent provided a wide range of promotion channels, advertised for services they offer, provided relevant information regarding to their services, promoted good public relations with the general public and offered discount on all products under promotions. Focusing on service variability, the study concluded that there is a positive relationship between service variability and service quality. To a large extent Safaricom was able to meet service expectations of customers, was flexible in accommodating different complaints from customers, inspired trust to customers during service provision, had the ability to give individual attention to the every customer and was able to deliver customer service in a speedy manner.

10. Recommendation

This study recommends that the Safaricom customer care offices should have attractive interior design in order to improve the service intangibility aspects of service delivery. This metric was lowly rated. The study further recommends Safaricom to offer a wide range of telecommunication services to customers a one stop shop to avoid high time consumption in seeking services from the telecommunication service provider. This is due to low raying on this metric. This study further recommends Safaricom to carry out advertisements for all services they offer in order to increase their sales volumes as well as creating awareness for services available to the Safaricom Customer Care shops. This item had the lowest mean score. The study also recommends all the Safaricom Customer Care shops to use Electronic Queue Management Technology since the customers were relatively uncertain on the length of wait at customer service hall.

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