ROLE OF CUSTOMER MANAGEMENT STRATEGIES ON CUSTOMER SATISFACTION IN THE SERVICE INDUSTRY A CASE OF KISUMU WATER AND SEWARAGE COMPANY, KENYA

By

SARAH OMARI

A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT FOR THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

DEPARTMENT OF BUSINESS ADMINISTRATION

MASENO UNIVERSITY

© 2015

ABSTRACT

Customer management strategies are techniques set up by organizations to identify and satisfy the needs of customers in the provision of goods and services. Customers are today aiming at getting maximum satisfaction not only from the products they buy and the services they are provided with, but also in the way they are treated before and after sale or provision of a service. Despite this assertion, customer management strategies at Kisumu Water and Sewerage Company are in question. Reports have indicated that there is inadequate distribution of clean water, declining quality of water and poor sanitation. According to the City Council of Kisumu, only 57% of the total population has access to piped water, while 7% depend on the water vendors, 10% rely on other sources and the remaining 20% have no access to safe drinking water. For this reason the strategies used by this company to serve its customers' needs to be interrogated. It's noted that from the past studies on done at Kisumu water and Sewerage Company more emphasis has been put on the outsourcing and water distribution strategies. There has been no study done on the effect of service delivery and complaints management and their effect on customer satisfaction, these therefore remain unknown. Moreover, the relationships between customer care and customer satisfaction and the relationship between employee training and customer satisfaction have also not been previously examined by past studies. So these relationships still remain unclear. The main objective of the study was to determine the role of customer management strategies on customer satisfaction in Kisumu water and Sewerage Company. The specific objectives of the study were to establish the effects of service delivery on customer satisfaction, to assess effects of complaints management on customer satisfaction, to examine the relationship between customer care and customer satisfaction, and to establish the relationship between training and customer satisfaction. The adopted cross sectional survey design with population drawn from the KIWASCO staff and customers totaling to240 selected through purposive sampling and simple random sampling respectively. Primary data was collected using focus group discussions and questionnaires while secondary data was obtained from documents and reports. Validity of data collection instrument was achieved using content validity index while its reliability was ascertained through exposure to experts. Data was analyzed using descriptive statistics and presented in form of tables of percentages. The results indicated that a majority of the customers were satisfied with the services that they receive at KIWASCO with a percentage response rate of 71%. Only 11% of the respondents were dissatisfied with the services offered by this company. In summary this study showed that customer complaints needs to be managed effectively by improving customer care service. The findings of this study may be used by the company management to make strategic decisions concerning customer care services, water distribution plan and even in deciding strategy for operational expansion. The recommendations of the study was that Kisumu Water and Sewerage Company should strengthen the customer management strategies by establishing a good monitoring system that can ensure that service delivery is effective and efficient and also the employees should also be taken for regular training to be able to know and understand how to handle customers better.

v

CHAPTER ONE

INTRODUCTION

1. Introduction

This chapter provides an overview of the background of the study, statement of the problem, objectives of the study, research questions, scope of the study, justification of the study and the conceptual framework adopted for the study. It introduces the main concepts; customer management strategies. It also highlights the context of the study which Kisumu Water and Sewerage Company.

1.1 Background of the Study

Customer management strategies are strategies set up by organizations to identify and satisfy the needs of customers in the provision of goods and services (Hanif, 2010). Additionally, (Zeithaml, 2008) found out that customers who perceive that they receive value for money are more satisfied than customers who do not perceive they receive value for money. According to Johnson *et al*,1996 strategies that organizations can use to attract and retain their customers include and not limited to offering effective customer experience, price fairness, service quality, effective complaints management and employee training.

Service quality is regarded as the customer's impression of the relative inferiority or superiority of a service provider and its services (Bitner & Hubert, 1994; Tsoukatos & Rand, 2006). Service quality is a consumer's overall impression of the relative inferiority or superiority of an organization and its services (Bitner and Hubbert, 1994). Mackay and Crompton (1990) define service quality as "the relationship between what customer's desires from a service and what they perceive that they receive". A good example of a standardized framework for understanding service quality is the SERVQUAL model developed by Parasuraman, Zeithaml and Berry (1988). This model includes reliability, responsiveness, assurance, empathy, and tangibles. Reliability refers to the ability to perform the promised service accurately. Responsiveness refers to the willingness to help customer and provide prompt service. Assurance refers to the employees' knowledge and courtesy, and their ability to inspire trust and confidence.

1

Previous empirical studies have indicated that high levels of customer satisfaction are related to the service quality provided through customer interactions (Wiele *et al*., 2002; Vilares & Coehlo, 2001). That is higher quality of service is associated with higher customer satisfaction whilst lower quality of service is related to lower customer satisfaction. Similarly some research findings have indicated that the effect of perceived quality on satisfaction is positive and significant but low (Afsar et al., 2010; Lauren, 2003). Anderson *et al*., (2007) advocated that customers would be more prone to switch to competing businesses when the perceived value was low so as to increase perceived value, thus contributing to a decline in loyalty

Zeithaml, et al, (1990) studied whether customers" perceptions of quality were influenced by whether or not they had experienced a recent service problem. They examined customers who had experienced recent service problems and those who had not. They found that service problems adversely affect customers" perception of service quality, and that customers who were dissatisfied with the resolution of their problems were twice as dissatisfied as those whose problems were resolved to their satisfaction (Zeithaml, *et al*, 1990)

Findings of the studies conducted by Woodside *et al*, (1989), Reidenbach and Sandifer-Smallwood (1990), Cronin and Taylor (1992), Fornell, (1992) and Anderson and Sullivan (1993), indicate that when perceived quality and satisfaction are measured in a global perspective, satisfaction is an antecedent of perceived quality

Boardman Liu (2010) also included in her research an examination of the importance of customer experiences to service quality in contact centers. The expert panelists in the study ranked the factor "knowledgeable agents" highest in importance to customer experience. In second place was agent demeanor which means that the agents, among other things, are polite, professional and friendly as well as easy to understand. One call resolution ranked third highest out of the total list of six variables in the list.

The studies above though varied in examining customer service quality, do not explore the effect of service delivery on customer satisfaction. Wiele *et al*. 2002; Vilares & Coehlo, (2001) just posited that a higher quality of service delivery is associated with higher customer satisfaction and vice versa. Zeithaml, *et al*, (1990) only studied whether customers" perceptions of quality were influenced by whether or not they had experienced a recent service problem.

2

Boardman and Liu (2010) on the other hand did an examination of the importance of customer experiences to service quality in contact centers. It can be concluded therefore that effect of service delivery on customer satisfaction is not clear.

Complaint management is a very important strategy to use in any organization that strives to optimize customer satisfaction. Complaints are a natural consequence of any service activity because "Mistakes are an unavoidable feature of all human endearment and thus also of service delivery" (Boshoff, 2007). Service recovery is the process of putting the situation right (Zemke & Schaaf, 2000). It can also be defined more widely and more proactively as the action of seeking out and dealing with failures in the delivery of service (Johnston, 2005). The term "complaint management" is used to include service recovery and involves the receipt, investigation, settlement and prevention of customer complaints and recovery of the customer.

According to the aforesaid, customer satisfaction cannot be achieved without the fundamental contribution of the customer contact-employees who provide the service. Thus, front-line employees should stay focused on customers' needs (Aburoubet al., 2011)

Customers who register complaints, between 54% and 70% will do business again with the company if their complaints are resolved (Albrecht and Zemke, 2005). This figure increases to 95% if the customer feels that the complaint was resolved promptly. Customers who have complained to a company and had their complaints satisfactorily resolved tell an average of five people about the good treatment they received.(Hart, *et al.*, 2000), reported that when the service provider accepts responsibility and resolves the problem when customers complain, the customer becomes "bonded" to the company. (McNeale, 2004) found out that about 5% of the dissatisfied customers actually complain to the appropriate companies but easily tell their friends, colleagues, and acquaintances about their experiences. Thus, companies ought to be aware or routinely investigate how well or badly their customers are treated. (Ovenden, 2005) in his book about studies conducted on several companies in the UK, such as wholesaler, manufacturers, etc, argued that companies need to be aware how well or badly its customers are treated and that customers rarely complain and when they do, it might be too late to keep such customers.

Empirical studies in this subject like the one by Goodwin and Verhage (1990) pointed out in their study that the complaint behavior is dependent on the customer perception role and social norms of society; more specifically, customers are discouraged to voice their complaints and criticize the service provider's work if they consider that they have low power of influence and are unable to control, impact or question the service provider's expertise due to social norms or lack of professional knowledge in certain service field

Levesque and Mc Dougall, (2006) in their case study on retail banking found out that if a service problem or customer complaint is ill or not properly handled, it has a substantial impact on the customer's attitude towards the service provider. However, the study did not support the notion that good customer complaint management leads to increased customer satisfaction. They reported that "at best, satisfactory problem recovery leads to the same level of customer satisfaction as if a problem had not occurred"

The above highlighted studies were done in developed countries and were inconclusive in addressing the concept of complaint management. Goodwin and Verhage (1990) only looked at complaint behavior and its relation with customer perception. Levesque and Mc Dougall, (2006) on the other hand only addressed the impact of customer complaint on the customer's attitude towards the service providers. Ovenden, (2005) however only focused his study on complaint awareness and argued that companies need to be aware how well or badly its customers are treated and that customers rarely complain and when they do, it might be too late to keep such customers. It is evident therefore that the previous studies did not give focus to the effects of complaints management on customer satisfaction. This is also unknown in the case of Kisumu water and Sewerage Company.

Customer care means recognizing the customers' emotional state and trying to solve or give a solution to a problem that a customer may be encountering while in the organization or with the product offered. According to (Senge, 2000), to be truly empathetic with a customer an employee should put himself/herself in the position of the customer. Recognizing the customer's emotional state helps an organization figure out the best way to effectively provide them the service that they are looking for.

4

Selland, (2006) posits that Customers will easily recognize when they are the sole focus of an employee. Satisfying customers can be a tricky endeavor when organizations are faced with multiple complaints, demands, personalities, and angry customers. When these situations arise, the best course of action is to honestly and expeditiously address them. Employees should listen to the customer's concern, empathize with their situation, and take actions to rectify the situation (Selland, 2006). One of the more important factors is that if customers really feel that you are solely attending to their needs, they will experience a feeling of importance that will translate into a positive customer service experience for them. Hayes, (2008) further clarifies that customer opinions and feedback are necessary in striving to improve customer service.

In order for organizations to realize the best possible interaction between their employees and the customer, they must ensure that employees are trained adequately in customer service, and also be empowered to make decisions that enhance customer service. Customers will continue to show strong favoritism to organizations that offer personal, custom, 'just-for-you' service, whether using the technology of the Internet or in face-to-face transactions. Customers expect to have issues resolved by contacting an empowered employee who will follow through appropriately. The more customer expectations increase, the more expedient customers require their issues to be dealt with. Because of this, employees are increasingly having to deal with hostile and angry customers and will be required to have the skills and abilities necessary to deal with them (Colombo, 2006).

Engaging the customer is one of the first steps to providing customer service that will make a lasting impression on the customer. Customers expect, justifiably so, that they will have access to employees for questions and concerns, whether on the phone or in person (Mitchell, 2003). This element of customer service should be addressed in an organizations customer service strategy. An effective strategy will set the stage and define minimum levels of accessibility for customer access. The expectations of accessibility should be defined and taught to all employees of the organization. Employees should never be too busy to be accessible to customers. An organization should consider investments in the infrastructure that are necessary to provide accessible customer service. This may mean the addition of more people, redesigning physical facilities, or changing the hours of operation for the organization. Whatever the

5

initiative, the goal should be to allow for the maximum accessibility possible for the customer. (Heskett, Sasser, and Schlesinger, 2007)

Customer service is basically the relationship that a company builds with its customers. It involves providing support during the purchasing process and after. A company has to make sure that both the service and the purchasing of a product have left the customer satisfied and happy. The reason is that a satisfied customer will not only return without looking at alternatives or comparing prices, but will recommend the store or firm to family members and friends. Customer service goes beyond providing products but it is making your clients feel you really care about them. Freeman (1999) added that firms should try and keep their customers. And one of the ways of doing this is through good customer service strategy.

In summary, the above works are varied but they fail to shed light on the link between customer care and customer satisfaction. Particularly this is not known in the case of Kisumu Water and Sewerage Company as non of the past studies even at this company have made an attempt to carry out an investigation to establish this relationship.

1.1.1 Customer satisfaction

Customer satisfaction is defined as a customer's overall evaluation of the performance of an offering to date. This overall satisfaction has strong positive effect on customer loyalty intentions across a wide range of product and service categories. Customer satisfaction is one of the most important issues concerning business organizations of all types, which is justified by the customer oriented philosophy and the principles of continuous improvement in modem enterprise. Firms have come to realize that their customers are the most important assets and that they must keep those assets, grow them, and profit from them (Gustafsson, Johnson, & Roos, 2005).

A firm interacts with its customers repeatedly by fulfilling transactions, providing after-sales service, creating and expanding more sales opportunities etc. All these are aimed at creating value from the customer base that a firm intends to capture. This means that firms have to identify the key drivers of long-term customer retention and profit from them. Managers commonly believe that satisfied customers have a higher likelihood of repeat patronage and that

therefore satisfied customers are an asset for the firm. For this reason, customer satisfaction should be measured and translated into number of measurable parameters (Hanif, 2010).

Customer satisfaction measurement may be considered as the most reliable feedback, providing client's preferences and experiences in an effective, direct, meaningful, and objective way. Thus, customer satisfaction may be considered as a base line standard of performance and a possible standard of excellence for any organization. Managers need to know how their consumer groups define satisfaction and then interpret satisfaction scales to accurately target, report, and respond to satisfaction levels (Hanif, 2010).More importantly, managers can recognize that the satisfaction focus and timing can be customized for their needs. Rather than looking at all aspects of choice/consumption experience, managers can concentrate on those that are of direct interest or are directly controllable. As a result, managers are able to obtain "true" consumer responses that are relevant to managerial decision making (Gies, 2009).

Customers perceive service in terms of quality, but how satisfied they are with the overall experience, is what defines their satisfaction. Whether the customer is satisfied after purchase depends on the offer's performance or the customer service in this case, in relation to the customer expectations. However, according to Zeithaml *et al* (2006) although service quality and customer satisfaction are used interchangeably, there is indeed a distinction.

Customer Satisfaction is when the outcome of the service matches the expectations of the service. As pointed out by Looy *et al* (2003), even though they differ one is a component of the other. Zeithaml *et al* (2003) defines it as the customer's evaluation of a product or service in terms of whether the product or service has met his needs or expectations. Failure to meet needs results in dissatisfaction, or a poor perception of the service quality.

Satisfaction can be acknowledged in various senses depending on what needs the customer had before the service; it ranges from feelings of fulfillment, contentment, pleasure, delight, relief, and ambivalence. Although it tends to be measured as a static quantity, it is dynamic and evolves over time being influenced by a variety of factors.

Service quality is one of those factors that contribute to customer satisfaction, in other words a component of customer satisfaction measure. As Looy *et al* (2003), points out the distinction

7

between the two is a very important one. The level of customer satisfaction is the result of the customers comparison of the service quality expected in a given service encounter, with the perceived service quality. In addition, the distinction is that in measuring customer satisfaction, the actual experience of the customer is the basis of assessments while in service quality measurement the customer experience is not required. According to Zeithaml *et al*, (2006), satisfaction or dissatisfaction is a measure or evaluation of a product or service's ability to meet a customer's need or expectations.

If the customers of an organization are satisfied by quality services the result is that, they will be loyal to them and consequently be retained by the organization, which is positive for the organization because it could also mean higher profits, higher market share, and increasing customer base.

Kondo (2001), argues that customers value satisfaction and quality in many different ways. Therefore, the expression "no customer dissatisfaction", does not necessarily go hand-in-hand with "customer satisfaction". Fornell (1992) argues that changes in satisfaction are consequences from past decisions. He continues to explain that quality is judged by the consumer and that the most important measurement of quality is how it affects customer satisfaction (Fornell, 1992). This is further strengthened by Herrmann, Huber and Braunstein (2000), who argue that whether or not a customer considers their purchase to live up to their expectations, i.e. whether the customer is satisfied or not, is dependent on the perceived quality.

According to Anderson, Fornell, and Lehmann (1994), there is a positive relationship between customer satisfaction and economic profit for a company. Arguably, customer satisfaction is an important component in order for the company to be profitable.

Increased global competition has lead to a greater emphasis on customer satisfaction (Johnson and Fornell, 1991). Matzler, Hinterhuber, Bailom, and Sauerwein (1996), argues that there are an increasing number of companies that starts to recognize the importance of customer satisfaction for future business. In attempting to increase customer satisfaction it is necessary to understand what the customer wants before they realize it themselves.

8

One major challenge that companies are facing is how to improve customer satisfaction and continue keeping their customers satisfied, which becomes a way for companies to differentiate themselves from their competitors (Torbica & Stroh, 2000).

Previous research has indicated that high levels of customer satisfaction are related to the service quality provided through customer interactions (Wiele *et al.*, 2002; Vilares & Coehlo, 2001). That is higher quality of service is associated with higher customer satisfaction whilst lower quality of service is related to lower customer satisfaction. Similarly some research findings have indicated that the effect of perceived quality on satisfaction is positive and significant but low (Afsar *et al.*, 2010; Lauren, 2003). Anderson *et al.*, (2007) advocated that customers would be more prone to switch to competing businesses when the perceived value was low so as to increase perceived value, thus contributing to a decline in loyalty.

Findings of the studies conducted by Woodside *et al.*, (1989), Reidenbach and Sandifer-Smallwood (1990), Cronin and Taylor (1992), Fornell, (1992) and Anderson and Sullivan (1993), indicate that when perceived quality and satisfaction are measured in a global perspective, satisfaction is an antecedent of perceived quality.

Carman (1990), Bitner (1990) and Parasuraman et al., (1988) also proposed the same relationship, that is satisfaction is an antecedent of perceived quality. Naeem and Saif (2009) also found that customer satisfaction is the outcome of service quality. Chau and Kao (2009) also emphasized that perceived service quality and its dimensions have a direct impact on customers" assessment of a company and the willingness to choose the service provider. This implies that customer satisfaction is a function of service quality provided to the customers.

1.1.2 Kisumu Water and Sewerage Company

The Kisumu Water and Sewerage Company (KIWASCO) Limited became operational on July 1, 2003 as a limited company after the transformation of the Water and Sewerage Department of the Kisumu Municipal Council. KIWASCO had earlier been registered under Companies Act in the year 2001. The core objective of KIWASCO is to make the water and sewerage services provision a commercial activity that generates sufficient revenue to sustain operations.

The Company was established as an independent company after the transformation of the water and sewerage department of the Kisumu Municipal Council and it acquired ISO9001:200 certification in 2011 which, it still retains after several surveillance audits. The company still remains the only clean piped water to the residents of Kisumu town and neighboring regions. Its operations continue to exhibit a positive trend despite the persistently unfavorable trading conditions such as high cost of energy and increasingly fluctuating prices of water treatment chemicals and labor. The new legislation that introduced VAT on water chemicals and increased VAT to 16% also exacerbates the rough business environment and affects KIWASCO's turnover. The company is a water service provider, and it is given the mandate by the county government of Kisumu to ensure that all the residents within the county are provided with clean water and ensure that all the waste discharged from the sewer line are disposed in the right places.

1.2 Statement of the Problem
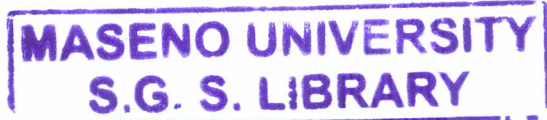
The distribution of clean and treated piped water in Kisumu by Kisumu Water and Sewerage company is not keeping pace with its rapid population growth, acute water shortage, declining quality and poor sanitation has been a problem in the city leading to unending customer complaints. Water scarcity and lack of supply in some areas of the town has been an issue that KIWASCO has not been able to manage since its inception despite its proximity to the second largest fresh water lake in the world. According to the County Government of Kisumu, only 57% of the total population has access to piped water,while7% depend on the water vendors, 10% rely on boreholes, spring, wells and rain water and the remaining 20% have no access to safe drinking water. This leaves a lot to be desired about the strategies used by this company in its endeavor to avail water to the residents of Kisumu. The studies in the paston Kiwasco have mainly focused on outsourcing and water distribution strategies. No study has been done on effect of service delivery and complaints management on customer satisfaction in this company. This therefore remains unknown. Moreover, the relationships between customer care and customer satisfaction and the relationship between employee training and customer satisfaction have also not been previously examined by past researchers. So these relationships still remain unclear.

1.3 Objective of the study

The general objective of the study was to establish the role of customer management strategies on customer satisfaction in the service industry. The study was guided by the following specific objectives namely:-

i.   To establish the effects of service delivery on customer satisfaction at KIWASCO.
ii. To assess effects of complaints management on customer satisfaction at KIWASCO.
iii. To examine the relationship between customer care and customer satisfaction at KIWASCO.
iv. To establish the relationship between employee training and customer satisfaction at KIWASCO.

1.4 Research Questions

i.   What are the effects of service delivery on customer satisfaction at KIWASCO?
ii. What are the effects of complaints management on customer satisfaction at KIWASCO?
iii. What is the relationship between customer care and customer satisfaction at KIWASCO?
iv. What is the relationship between employee training and customer satisfaction at KIWASCO?

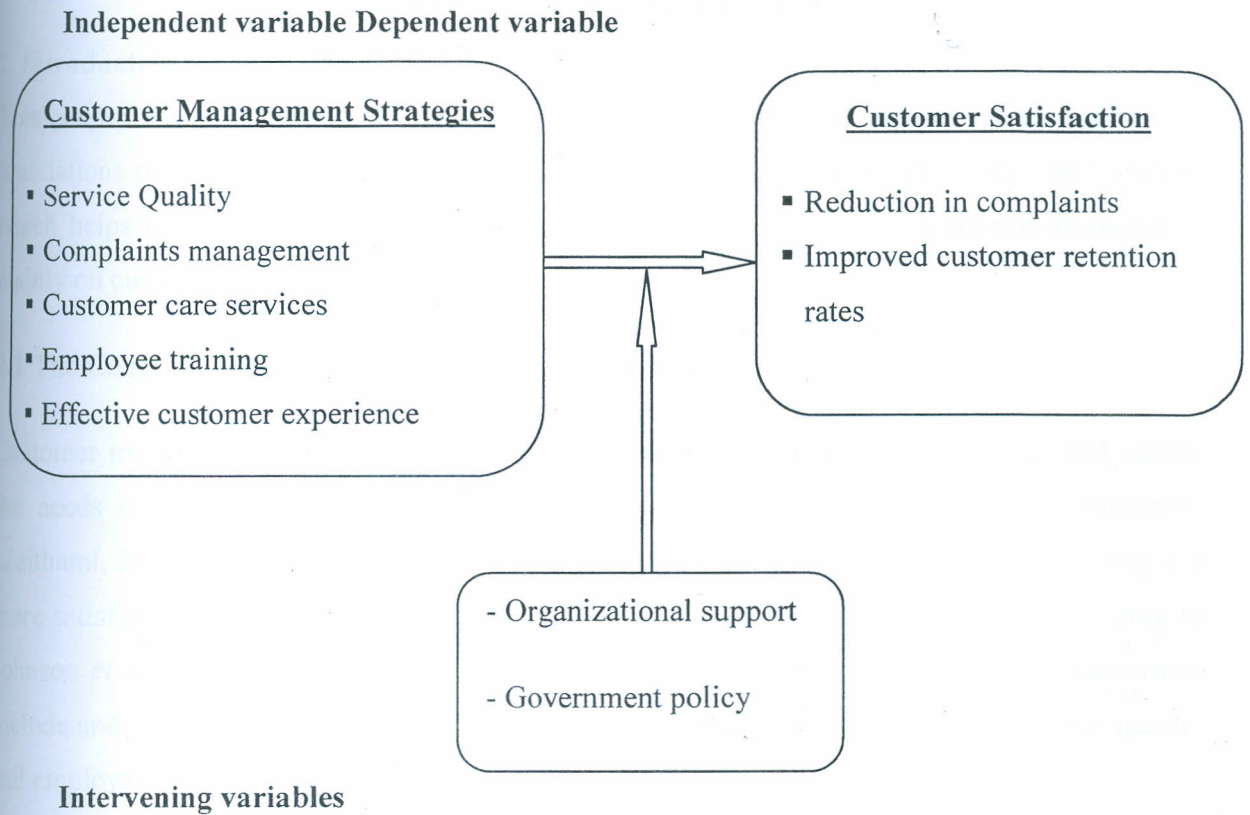## 1.5 Scope of the Study Area

The study will mainly focus on customer management strategies with respect to Kisumu Water and Sewerage Company. It will attempt to examine how these strategies influence customer satisfaction at Kiwasco.

1.6 Significance of the study

This study may be of importance to future researchers in Kiwasco as it forms a basis of other studies which will have a strategic view of KIWASCO. This is because no any other related study has been carried out previously in this company. It may also help the management of Kisumu Water and sewerage Company to formulate customer management policy which may in turn help in the enhancement of company image to the general public and to the customers who for a long time have opted to source for alternative sources of fresh water as a result of lack trust on its employees. The findings of this study may also be used by the company management to make strategic decisions concerning customer care services, water distribution plan and even in deciding strategy for operational expansion.

1.7 Conceptual Framework

Independent variable Dependent variable

```
┌─────────────────────────────────┐                    ┌──────────────────────────────────┐
│  Customer Management Strategies  │                    │      Customer Satisfaction       │
│                                  │                    │                                  │
│  ▪ Service Quality               │                    │  ▪ Reduction in complaints       │
│  ▪ Complaints management         │─────────────▷      │  ▪ Improved customer retention   │
│  ▪ Customer care services        │           △        │    rates                         │
│  ▪ Employee training             │           │        │                                  │
│  ▪ Effective customer experience │           │        │                                  │
└─────────────────────────────────┘           │        └──────────────────────────────────┘
                                               │
                                    ┌──────────────────────────┐
                                    │  - Organizational support │
                                    │                            │
                                    │  - Government policy       │
                                    └──────────────────────────┘
```

Intervening variables

Figure 1.1:Relationship between customer management strategies and customer satisfaction

Source: Adapted from Johnson et al,1996

The relationship above shows the dependent variable, customer satisfaction as affected by the independent variable, customer management strategies which has the elements namely service quality,complaints management,customer care services,employee training and effective customer experience.The above independent variable elements are believed to have a direct relationship with customer satisfaction at Kisumu Water and Sewerage company through reduction in complaints and improved customer retention rates.The government policy and and organizational support acts as intervening variables in this relationship.

13

CHAPTER TWO
LITERATURE REVIEW

2. Introduction

This chapter reviews theoretical literature and empirical studies. It focuses on the theoretical foundations on which the study was be built. It also explores comparative empirical literature which helps to explain the gap which the study seeks to address. The literature discussed is mainly on customer management strategies and customer satisfaction.

2.1 The Concept of Customer management strategies.

Customer management strategies are strategies set up by organizations to identify and satisfy the needs of customers in the provision of goods and services(Hanif, 2010).Additionally, (Zeithaml, 2008) found out that customers who perceive that they receive value for money are more satisfied than customers who do not perceive they receive value for money. According to Johnson *et al*,1996, strategies that organizations can use to attract and retain their customers include and not limited to offering effective customer experience, price fairness, service quality and employee training.

2.2.1 Service quality delivery and customer satisfaction.

Service quality is also regarded as the customer's impression of the relative inferiority or superiority of a service provider and its services (Bitner & Hubert, 1994; Tsoukatos & Rand, 2006). Service quality is a consumer's overall impression of the relative inferiority or superiority of an organization and its services (Bitner and Hubbert, 1994). Mackay and Crompton (1990) define service quality as "the relationship between what customer's desires from a service and what they perceive that they receive". A good example of a standardized framework for understanding service quality is the SERVQUAL model developed by Parasuraman, Zeithaml and Berry (1988). This model includes reliability, responsiveness, assurance, empathy, and tangibles. Reliability refers to the ability to perform the promised service accurately. Responsiveness refers to the willingness to help customer and provide prompt service. Assurance refers to the employees' knowledge and courtesy, and their ability to inspire trust and confidence.

14

Customer service interaction starts with what customer thinks and what will happen or what is he expect. Overtime, as the customer uses the service, this dimension changes and becomes past experience. How the customer has been treated in the past will affect what the customer expects to happen on a' particular encounter. Service quality and customer satisfaction are the two core concepts in any organization. In today's world of intense competition, the key to sustainable competitive advantage lies in delivering high quality service that will in turn result in satisfied customers. The importance of service quality on customer satisfaction as the ultimate goals of service providers cannot be emphasized enough (Hanif, 2010). Achieving high levels of customer satisfaction requires that organizations continually monitor and examine the experiences, opinions, and suggestions of their customers and people who are potential customers. Improving service quality to meet customers' standards is an ongoing part of doing business. In this way, customers drive the organization. With its high degree of intangibility, it is difficult to assess service quality. Service products are a crucial component of service quality and can be a component of physical environment quality, interaction quality and outcome quality in a hierarchical context (Malah&Allah, 2011).

The achievement of a strong customer satisfaction is closely related to the understanding customer needs and expectations (William and Bertsch, 2002). According to the Kano Model (2001), customer needs are divided into: Basic needs – obvious needs of customers and if not met, he is dissatisfied, however meeting this needs may not be enough for customer satisfaction. Its satisfaction results in "must be quality". Expected needs – these are important needs that customers are fully aware of and satisfaction is expected in every purchase; their satisfaction creates "expected quality". Excitement needs – these are unconscious and unspoken needs of customers. By identifying and satisfying such needs, companies will have added large value to customers and can win loyal customers. This satisfaction creates "attractive quality". Perceived value is defined as "the results or benefits customers receive in relation to total costs (which include the price paid plus other costs associated with the purchase) or the consumers' overall assessment of what is received relative to what is given" (Holbrook,2004). Additionally, (Zeithaml, 2008) found out that customers who perceive that they receive value for money are more satisfied than customers who do not perceive they receive value for money. Several studies have shown that perceived value is significant determinant of customer satisfaction (Anderson *et al.* (2004); (Ravald and Gronroos, 2006); and (McDougall and Levesque, 2000). It

15

is apparent from this review that one of the factors customers use to determine satisfaction level is the benefits received from a product or service in comparison with what is spent.

Delivery of high service quality to customers offers businesses an opportunity to differentiate themselves in competitive markets (Yavas and Benkenstein, 2007). Service quality seems to lead to positive word-of mouth, lessening of complaint tendencies and continuity in customer relationship (Caruana, 2002). Levesque and McDougall (1996) stated that high service quality results in customer satisfaction and loyalty, greater willingness to recommend to someone else, reduction in complaints and improved customer retention rates. Research by Cronin and Taylor (1992) validated prior research indicating that perceived service quality is an antecedent of customer satisfaction (Woodside *et al.*, 1989). If clients' evaluations of past service quality is high, they will tend to evaluate the most recent service encounter as satisfactory. Based on Cronin and Taylor's (1992) asserted service quality was the antecedent of consumer satisfaction when the examined four service industries of banking, pest control ,dry-cleaning ,and fast food to investigate the relation of service quality to consumer satisfaction.

Oliver (1993) first suggested that service quality would be antecedence of customer satisfaction, up to now, there are already some other researchers who have found the empirical support for the view point mentioned above (Spreng &Mackoy,1996), and customer satisfaction is a consequence of service quality. Service quality should also be enhanced by raising expectations and be positively related to consumer satisfaction (Fornell et al., 1996). In the recent decade, many studies also have established that service quality strongly drives satisfaction (Lovelock & Wirtz, 2007;) Oliver (1980) developed the theory that there exists a direct relationship between a customer's satisfaction and what his/her expectations are. Subsequent research revealed that satisfaction is determined by how positive a customer perceives the performance of particular service to be.

In particular, it has been observed that if a customer perceives service quality to be high, he/she will have high levels of satisfaction (Caruana, 2002). Ganesh *et al.* (2000) reported that if a business performs a service that surpasses customer expectations, the customer will be satisfied and is likely to be a repeat customer at the establishment that provided the service. This

perspective suggests that poor service delivery would be a major cause of dissatisfaction among consumers.

Wanyama (2009) states that market forces have triggered a transformation in the structural organization of cooperatives in Kenya. Due to their inability to provide members with competitive services, the national federation and some cooperative unions have largely faded away. Wanyama further argues that to reclaim the services that were previously provided by the federation and the unions, primary cooperatives and the national cooperative organizations are steadily making alternative arrangements to provide the same services to their members. Thus, the indication is that liberalization has given cooperatives the impetus to re-examine their organizational formations with a view to reorganizing in their best interest, rather than in the interests of the state.

In summary, whereas (Malah& Aallah, **2011)** looked at interaction of quality and outcome quality in a hierarchical context, William and Bertsch, (2002) looked at how customer satisfaction is related to the understanding customer of needs and expectations. Additionally, (Zeithaml, 2008) merely investigated how customers' perceived value for money relates with their level of satisfaction.(Caruana, 2002) was more specific in advancing that Service quality seems to lead to positive word-of mouth, lessening of complaint tendencies and continuity in customer relationship. Oliver (1980) developed the theory that there exists a direct relationship between a customer's satisfaction and what his/her expectations. Wanyama (2009) states that market forces have triggered a transformation in the structural organization of cooperatives in Kenya due to their inability to provide members with competitive services.

From the works however, it is noted that the areas addressed though varied did not comprehensively cover the subject service quality management strategies. They are deficient in informing how service quality can be used as a strategy to enhance customer satisfaction. They also failed to shed light on how service quality can be enhanced. For this reason, these areas are still unclear. Specifically, effect of service quality on customer satisfaction in service sector water provision particularly by Kisumu Water and Sewerage company is not clearly addressed. This remain unknown.

17

Previous empirical studies have indicated that high levels of customer satisfaction are related to the service quality provided through customer interactions (Wiele *et al.*, 2002; Vilares & Coehlo, 2001). That is higher quality of service is associated with higher customer satisfaction whilst lower quality of service is related to lower customer satisfaction. Similarly some research findings have indicated that the effect of perceived quality on satisfaction is positive and significant but low (Afsar *et al.*, 2010; Lauren, 2003). Anderson *et al.*, (2007) advocated that customers would be more prone to switch to competing businesses when the perceived value was low so as to increase perceived value, thus contributing to a decline in loyalty.

Parasuraman *et al.* (1984) studied quality service delivery in four service businesses including credit card services, and developed a model of service quality. They noted that: "A variety of factors, including resource constraints, management perceptions of consumer expectations and the firm's service quality specifications will affect service quality from the consumer's viewpoint" (Parasuraman *et al*; 1984). Parasuraman *et al.*

(1984) identified a set of discrepancies, or gaps, between how executives perceive the quality of the service they provide and the tasks associated with delivering those services to customers. They found that the customer's perception of service quality depends upon the size and direction of the gap between the service the customer expects to receive and what he or she perceives to have been received.

Zeithaml *et al*, 1990) studied whether customers" perceptions of quality were influenced by whether or not they had experienced a recent service problem. They examined customers who had experienced recent service problems and those who had not. They found that service problems adversely affect customers" perception of service quality, and that customers who were dissatisfied with the resolution of their problems were twice as dissatisfied as those whose problems were resolved to their satisfaction (Zeithaml *et al*, 1990).

Zeithaml *et al.* (1990) concluded that: "The most important thing a service company can do is be reliable, that is, perform the service dependably and accurately .... do it right the first time. When a service problem does crop up, however, all is not lost unless the company ignores it. In other words, by resolving the problem to the customer's satisfaction, by performing the service very right the second time... the company can significantly improve customer retention rates".

18

Brown and Lam (2008) found that a positive relationship exists between customer satisfaction, employee satisfaction and perceived service quality. Customer perceived service quality completely intercedes between job satisfaction of employees and customer satisfaction. Service-profit chain framework shows that employees who are satisfied can be more productive than those employees who are less satisfied.

Findings of the studies conducted by Woodside et al., (1989), Reidenbach and Sandifer-Smallwood (1990), Cronin and Taylor (1992), Fornell, (1992) and Anderson and Sullivan (1993), indicate that when perceived quality and satisfaction are measured in a global perspective, satisfaction is an antecedent of perceived quality.

Carman (1990), Bitner (1990) and Parasuraman et al., (1988) also proposed the same relationship, that is satisfaction is an antecedent of perceived quality. Naeem and Saif (2009) also found that customer satisfaction is the outcome of service quality. Chau and Kao (2009) also emphasized that perceived service quality and its dimensions have a direct impact on customers" assessment of a company and the willingness to choose the service provider.

Chou and Chang (2006), in a case study of Chine Mobile, found that "perceived expectations, perceived quality, perceived value, perceived usefulness, and perceived ease of use were critical factors for customer satisfaction with mobile services." More recently, a cross-sectional survey of 1,000 individuals was done.

Boardman Liu (2010) on the other hand explored contact center service quality in an expert panel study. She had experts rate different factors for their importance on service quality in a seven point Likert scale. Regarding the contact center measures of service quality, Feinberg *et al.* (2000) , Boardman Liu's (2010) research indicates that the six most important variables for service quality are first call resolution, average speed of answer, number of blocked calls, employee churn rate, service level and caller abandonment rate. The total number of the variables rated by the panelists was thirteen. Compared to Feinberg *et al.*(2000) research, it can be seen that first call resolution, average speed of answer number of blocked calls, service levels and caller abandonment rate appear in both studies as influential factors.

De Nucci (2011) also examined the factors affecting service quality in call centers but in a more general level. According to him, high quality customer service is about a balance between people, processes and technology. Complete training, management of employee turnover, measurement and reporting of relevant results that reflect quality and accessible, easy-to-use technology are four factors that can be used to create the balance.

Boardman& Liu (2010) also included in her research an examination of the importance of customer experiences to service quality in contact centers. The expert panelists in the study ranked the factor "knowledgeable agents" highest in importance to customer experience. In second place was agent demeanor which means that the agents, among other things, are polite, professional and friendly as well as easy to understand. One call resolution ranked third highest out of the total list of six variables in the list.

Dean & Rainnie (2009) on the other hand conducted research on organizational factors that can have an effect on service quality in contact centers. The research was actually based on the views of the contact center agents. Their findings include nine themes which were found to affect service quality by the contact center employees who took part in the study. The themes are listed below based on how frequently they were discussed starting with the most frequently discussed theme. The themes were: management emphasis on sales, performance monitoring and feedback, efficiency demands on contact center work, all center structures and support, employee-job fit, human resource management issues, teams, service encounter stress and managerial attitudes:

In summary the literature on this subject of service quality concentrated on other aspects of service quality as evidenced by Parasuraman et al. (1984)&De Nucci (2011) who merely looked at factors that affect service quality, Zeithaml, et al,(1990) on the other hand studied whether customers'' perceptions of quality were influenced by whether or not they had experienced a recent service problem. Brown and Lam (2008) however were a bit more specific as they found out in their study that there is a relationship between customer satisfaction, employee job satisfaction and perceived service quality. This study was similar to that done by Woodside et al., (1989),

Reidenbach and Sandifer-Smallwood (1990), Cronin and Taylor (1992), Fornell, (1992) and Anderson and Sullivan (1993) indicated that when perceived quality and satisfaction are measured in a global perspective, satisfaction is an antecedent of perceived quality. Boardman Liu (2010) conducted her research an examination of the importance of customer experiences to service quality in contact centers, while Dean & Rainnie (2009) on the other hand conducted research on organizational factors that can have an effect on service quality in contact centers.

It is evident that the literature above did not clearly address the effects of service quality. The works are incomprehensive and do not address effect of service quality on customer satisfaction. This has therefore remained unknown

2.2.2 Complaints management and customer satisfaction

Complaints are a natural consequence of any service activity because "Mistakes are an unavoidable feature of all human endearment and thus also of service delivery" (Boshoff, 2007). Service recovery is the process of putting the situation right (Zemke & Schaaf, 2000) . It can also be defined more widely and more proactively as the action of seeking out and dealing with failures in the delivery of service (Johnston, 2005). The term "complaint management" is used to include service recovery and involves the receipt, investigation, settlement and prevention of customer complaints and recovery of the customer.

According to the aforesaid, customer satisfaction cannot be achieved without the fundamental contribution of the customer contact-employees who provide the service. Thus, front-line employees should stay focused on customers' needs (Aburoubet al., 2011).

Firms normally consider consumer complaints of any kind to be indispensable indicators of unsatisfactory performance. Without consumers' feedback, they will be unaware of their problems and retain their customers (Crie & Ladwein, 2002). Lau and Ng (2001) found that dissatisfied consumers who complained had a higher level of repurchase intention than those who did not complain (Lau & Ng, 2001). However, previous studies have also shown that many unsatisfied consumers prefer to change brands or suppliers and tell friends or families about their bad purchase experience than to voice their dissatisfaction to companies (Day & Ash,2007)

21

Customers who register complaints, between 54% and 70% will do business again with the company if their complaints are resolved (Albrecht and Zemke, 2005). This figure increases to 95% if the customer feels that the complaint was resolved promptly. Customers who have complained to a company and had their complaints satisfactorily resolved tell an average of five people about the good treatment they received. (Hart, *et al.*, 2000), reported that when the service provider accepts responsibility and resolves the problem when customers complain, the customer becomes "bonded" to the company. (McNeale, 2004) found out that about 5% of the dissatisfied customers actually complain to the appropriate companies but easily tell their friends, colleagues and acquaintances about their experiences. Thus, companies ought to be aware or routinely investigate how well or badly their customers are treated. (Ovenden, 2005) in his book about studies conducted on several companies in the UK, such as wholesaler, manufacturers, etc, argued that companies need to be aware how well or badly its customers are treated and that customers rarely complain and when they do, it might be too late to keep such customers.

Levesque and Mc Dougall, (2006) in their case study on retail banking found out that if a service problem or customer complaint is ill or not properly handled, it has a substantial impact on the customer's attitude towards the service provider. However, the study did not support the notion that good customer complaint management leads to increased customer satisfaction. They reported that "at best, satisfactory problem recovery leads to the same level of customer satisfaction as if a problem had not occurred".

Nyer, (2000) expressed that encouraging customers to complain increased their satisfaction and especially the most dissatisfied customers and stated that "the more a customer complains the greater the increases in satisfaction".(Johnston, 2001) reported that complaint management, not only results into increased customer satisfaction, but also leads to operational improvement and improved financial performance. Other suggested antecedents of customer satisfaction include: disconfirmation paradigm Szymanski and (Henard, 2001); performance (Cadotte, *et al.*, 2008); affects (Mano and Oliver, 2003); and equity (Oliver, 2007).

Moreover, Tax and Brown (1998) argues that only about 5 % to 10% of customers who are dissatisfied with offered service lodge their complaints to service provider. In this regard,

22

Stephens and Gwinner (1998) provide numbers of reasons which explain customer's unwillingness to complain. It is suggested that among those are follows: 1) customers regards complaining as an action which does not worth efforts; 2) customers does not believe that refund/ compensation will be maid; 3) customers consider complaining as unpleasant situation and usually do not know how to lodge compliant and to whom; 4) customers may avoid conflict if it involves people who they know and have to cooperate with again (Stephens & Gwinner,1998)

Customer satisfaction can be associated to both what organizations do and how they do when service failures/problems happen (McCole, 2004; Wirtz & Mattila, 2004). A service failure occurs when the service delivery falls short of customers' expectations (Bell & Zemke, 1987). When such failures are encountered, some of the unhappy consumers are likely to complain to their service providers. Consumers who take the decision to complain expect from their service providers to take steps in response to their complaints. The service provider's responses to complaints may result in complainant satisfaction if the service recovery efforts are perceived to be effective by consumers (Maxham, 2001). Service recovery can also be poor and ineffective with the consequences that the customer is dissatisfied second time. This dissatisfaction may lead to loss of confidence in the organization, possible defection and the likelihood of spreading negative work of mouth (Lewis & McCann, 2004).

Zemke (1993) stated the objective of service recovery efforts is to move a customer from a state of dissatisfaction to a state of satisfaction. By investigating the factors that influence complainant satisfaction with service recovery, research findings revealed that most of the dissatisfying service encounters were the results of inappropriate employee responses to complaints (Bitner, Booms & Mohr, 1994). Other research findings also reported that service recovery efforts would be seen favorable if the employees display the necessary efforts and techniques while resolving the problems (Swanson & Kelley, 2001).

Bell and Zemke (1987) stated that the most important determinants of successful service recovery are apology, empathy, atonement, urgent reinstatement and follow-up. Other research findings consider employees been pleasant, helpful, attentive and courteous; act quickly and be flexible as the important ingredients of successful service recovery efforts (Johnston, 1995).

Considering the relative impacts of these elements on successful service recover, most of the previous studies in the service recovery area used the three dimensions of justice theory (distributive, procedural, and interactional) in order to examine the consumer evaluations of the recovery efforts. The justice theory is from Adam's equity theory which focuses on the individual's perceptions of the fairness of the situation or the decision (McCole, 2004).

Thwaites and Williams (2006) posit that it is five times more expensive to attract new customers rather than retaining existing ones. Additionally, disappointment with the offered service may lead to spreading negative word of mouth, this idea is further reinforced by the findings of Sousa and Voss (2009) and Morrisson and Huppertz (2010) who claimed that, dissatisfied customers may tell from ten to twenty people about their bad experience, whereas if the problem is resolved successfully, it usually is shared amongst up to five people on average.

Additionally, Goodwin and Verhage (1990) pointed out in their study that the complaint behavior is dependent on the customer perception role and social norms of society; more specifically, customers are discouraged to voice their complaints and criticize the service provider's work if they consider that they have low power of influence and are unable to control, impact or question the service provider's expertise due to social norms or lack of professional knowledge in certain service field (for instance, medicine, jurisprudence etc.). In this sense, studies related to customer complaint behavior distinguishes between four main reasons that urges customers to lodge the problem, among those are follows: a) to get refund compensating economic loss; b) to escape anger and recover self-esteem; c) to help improving service quality (in case of high customer involvement into service delivery like university or main bank); d) or just because of altruistic motivation aspiring to prevent other people experiencing the same problem (Lovelock & Wirtz, 2011). That said, effective complaint handling implies developing and employing thoughtful procedures that implies encouraging customers to lodge complaints and returning disgruntled customers into delighted one.

Other studies, namely (Chumpitaz & Papariodamis, 2004; Wang *et al.,* 2004 p.178; Komunda & Osarenkhoe, 2012) also support positive correlation between satisfaction and loyalty, however it is pointed out that relationship is not all the time linear (Oliva, Oliver & MacMillan, 1992); Matos *et al.,* 2009) especially in case of highly competitive environment with low switching

24

costs and if offered services/products are not substantially differentiated (Morrisson & Huppertz, 2010). Having said that, satisfied customer still may exhibit switching behavior (Bloemer & Odekerken-Schroder, 2002) unless service provider does something extraordinary to delight his clients (Torres & Kline, 2006).

Generally, studies on complaints management above have focused on various issues surrounding service recovery. Lau and Ng (2001) found that dissatisfied consumers who complained had a higher level of repurchase intention than those who did not complain. Day & Ash,(2007) have also shown how unsatisfied consumers prefer to change brands or suppliers and tell friends or families about their bad purchase experience than to voice their dissatisfaction to companies. Johnston,(2001) reported that complaint management, not only results into increased customer satisfaction, but also leads to operational improvement and improved financial performance. Other studies like those done by Henard, (2001); Cadotte, *et al.*, (2008); Mano and Oliver, (2003); have looked at how complaint management affects performance of organizations while Oliver, (2007)studied role of complaints on equity. It is also evident that these studies have occupied focus of business scholars to a broader extent in US rather than in other countries including developing ones; additionally, in essence with Raven and Welsh (2004) Middle Eastern countries are considered as under-research areas at large. Simultaneously, apart from the work conducted by Bitner *et al.* (1990), Brown *et al.* (1996), Andreassen (2000), Sousa and Voss (2009), Morrisson and Huppertz (2010), Komunda and Osarenkhoe (2012) less attention has been paid to effect of complaint management on customer satisfaction in service industry specifically Kisumu Water and sewerage Company.This therefore remains unknown.

2.2.3 Relationship between customer care services and customer satisfaction

According to Schneider and Chung (1994), for an organization in the service industry, the most appropriate criterion for organizational performance is customer satisfaction. Customer service is basically the relationship that a company builds with its customers. It involves providing support during the purchasing process and after. A company has to make sure that both the service and the purchasing of a product have left the customer satisfied and happy. The reason is that a satisfied customer will not only return without looking at alternatives or comparing

25

prices, but will recommend the store or firm to family members and friends. Customer service goes beyond providing products but it is making your clients feel you really care about them. Freeman (1999) added that firms should try and keep their customers. And one of the ways of doing this is through good customer service strategy.

In order for organizations to realize the best possible interaction between their employees and the customer, they must ensure that employees are trained adequately in customer service, and also be empowered to make decisions that enhance customer service. Customers will continue to show strong favoritism to organizations that offer personal, custom, 'just-for-you' service, whether using the technology of the Internet or in face-to-face transactions. Customers expect to have issues resolved by contacting an empowered employee who will follow through appropriately. The more customer expectations increase, the more expedient customers require their issues to be dealt with. Because of this, employees are increasingly having to deal with hostile and angry customers and will be required to have the skills and abilities necessary to deal with them (Colombo, 2006).

From a customer's point of view according to Lusch (2007) value is created for the customer in the service received; their experience of it and the outcomes of the service including the benefits they get from it. Thus, customers will always prefer a customer service that gives them maximum satisfaction Agbor (2011). This is because customers no longer just want to buy and consume, but wish and are able to evolve into the creation of products and services themselves Agbor (2011)

Once an organization has been able to acquire a customer, they must do whatever it takes to keep them as a repetitive customer. Most customers exhibit similar traits and qualities – they are self-absorbed, they expect organizations to meet their needs immediately, and to attend to their every need with a smile. Customers do not care about other priorities employees may have. They expect to be the employee's priority and be attended to when they are ready (Evenson, 2000). The lack of appropriate service is one of the most common complaints of all consumers. The simple fact is that most of our service businesses don't serve very well. Many businesses are renowned for their lack of service, although they are in service providing businesses. Customer service is one of those often-talked about and promoted issues, but rarely delivered in

26

a consistent fashion. "Successful organizations have one common central focus: customers. It doesn't matter if it's a business, a professional practice, a hospital, or a government agency, success comes to those, who are obsessed with looking after customers"(Blanchard and Bowles, 2003).

A customer is the conduit between the employee and any profit potential that an organization may realize. It is now widely accepted that profitable customer experiences are no longer transaction based, but rather relationship based. For an organization to maximize the Service-Profit chain strategy, they must not only concentrate on employee satisfaction, but they must also become "customer-centric." Being truly customer-centric requires that everyone in the organization be aligned to have contact, or the opportunity to affect customers (Mitchell, 2003).

It is not enough anymore for an organization to just provide good customer service; they must ensure that they are engendering customer loyalty. At the heart of customer-centricity is the concept of the customer value equation. "This equation suggests that the value of goods and services delivered to customers is equivalent to the results created for them as well as the quality of the processes used to deliver the results, all in relation to the price of a service to the customer and other costs incurred by the customer in the acquiring the service" (Heskett, Sasser, and Schlesinger, 2007).

Market conditions are driving organizations to become more customer-centric. In order to provide the best possible customer service experience possible and differentiate one's self from the competition, organizations are beginning to transition from being product-centric to being customer-centric (IBM, 2006). Organizations are realizing that the common denominator between product or service delivery and corporate profitability is the customer. Because of this, many organizations are redesigning their current business strategies around the customer-centric philosophy. Organizations are recognizing that just like employees, inventory, or cash, customers are a valuable asset that should be managed accordingly. Not only do customers generate revenue for an organization, what they say and how they feel can influence future revenue. Customer-centric organizations listen to their customers and react accordingly. They view their business strategy from the point of view of the customer, and thus reduce

expenditures on unwanted processes, and at the same time create new business opportunities as a result of customer feedback.

Engaging the customer is one of the first steps to providing customer service that will make a lasting impression on the customer. Customers expect, justifiably so, that they will have access to employees for questions and concerns, whether on the phone or in person (Mitchell, 2003). This element of customer service should be addressed in an organizations customer service strategy. An effective strategy will set the stage and define minimum levels of accessibility for customer access. The expectations of accessibility should be defined and taught to all employees of the organization. Employees should never be too busy to be accessible to customers. An organization should consider investments in the infrastructure that are necessary to provide accessible customer service. This may mean the addition of more people, redesigning physical facilities, or changing the hours of operation for the organization. Whatever the initiative, the goal should be to allow for the maximum accessibility possible for the customer. (Heskett, Sasser, and Schlesinger, 2007)

Organizations make direct promises to customers through advertising and marketing materials, in company correspondence and contracts, and in service guarantees and policies published for everyone to see. In addition, customers will hold the company to indirect commitments – promises that customers believe are implied in the way the company talks about itself, its products, and its services (Zemke, 2003). Not keeping promises is one of the quickest ways to create disgruntled, former customers.

A person's attitude colors the way they react to customers because it has a direct effect on what they hear and how they respond. There are people who can find opportunity in any adversity. Outgoing and optimistic, they strive to make customer engagements fun. They inspire a contagious enthusiasm and make others around them better (Freiberg, 2004). Customers sense this and react better to these types of people. Displaying the right attitude is important for everyone in the organization in pursuing an atmosphere that promotes great customer service.

Timeliness has always been an important part of delivering great customer service, but in today's hurried society, it has become even more important. From fast food restaurants to one-hour photo finishing, customers are demanding faster service than ever before. Companies that

28

cater to time conscious customers are more preferred today. When customers see other organizations delivering faster and more efficient service, they will demand it of your organization as well (Zemke, 2003). If an organization is unable to be as responsive as their competitors, they run the risk of delivering undesirable customer service, or at worst, losing customers to the competition.

According to (Senge, 2000), to be truly empathetic with a customer an employee should put himself/herself in the position of the customer. Recognizing the customer's emotional state helps an organization figure out the best way to effectively provide them the service that they are looking for.

Selland, (2006) posits that Customers will easily recognize when they are the sole focus of an employee. Satisfying customers can be a tricky endeavor when organizations are faced with multiple complaints, demands, personalities, and angry customers. When these situations arise, the best course of action is to honestly and expeditiously address them. Employees should listen to the customer's concern, empathize with their situation, and take actions to rectify the situation (Selland, 2006). One of the more important factors is that if customers really feel that you are solely attending to their needs, they will experience a feeling of importance that will translate into a positive customer service experience for them. Hayes, (2008) further clarifies that customer opinions and feedback are necessary in striving to improve customer service. However, an organization must ensure that the instrument is pertinent, as well as constructed properly, in order to elicit correct and actionable responses. Schwab (2007) on the other hand said that customer service is one of the most important parts of the company's overall strategy to conducting business and that without customers you really do not have a business.

In summary while Lusch (2007) argued that value is created for the customer in the service they received, Agbor (2011) contended that customers will always prefer customer service that gives them maximum satisfaction. In the same vein (Freiberg, 2004) argue that a person's attitude colors the way they react to customers when giving customer care service because it has a direct effect on what they hear and how they respond. Blanchard and Bowles, (2003)on the other hand state that it doesn't matter if it's a business, a professional practice, a hospital, or a government agency but success only comes to those, who are obsessed with looking after

customers.(Mitchell, 2003) on the other hand contends that engaging the customer for questions and concerns, whether on the phone or in person is one of the first steps to providing customer service that will make a lasting impression on the customer agreeing with (Freiberg, 2004) who points out that great customer service is achieved when a person tries to make customer engagements fun through inspiring contagious enthusiasm and make others around the feel better. Zemke, (2003) however argues that if an organization is unable to be as responsive as their competitors, they run the risk of delivering undesirable customer service, or at worst, losing customers to the competition. He further asserts that not keeping promises to customers is one of the quickest ways to create disgruntled, former customers. Selland, (2006) posits that Customers will easily recognize when they are the sole focus of an employee.

The above works however though varied did not cover the subject of customer care comprehensively. They focused on customer service in one dimension which is how a good customer service is achieved. None of the theories stated above shed light on the relationship that exists between customer care and customer satisfaction in the service industry. This therefore remains unclear.

2.2.4 Staff qualification and training and customer satisfaction

Training refers to a planned intervention aimed at enhancing the elements of individual job performance" (Chiaburu and Tekleab, 2005). It is all about improving the skills that seems to be necessary for the achievement of organizational goals. Training programs, may also help the workforce to decrease their anxiety or frustration, originated by the work on job (Chenet al., 2004). Those workers who feel themselves to be unable to perform a task with the desired level of performance often decide to leave the firm (Chen et al., 2004), otherwise their stay at the firm will not add to productivity (Kanelopoulos and Akrivos, 2006). The greater the gap between the skills necessary and those possessed by the workforce, the higher the job dissatisfaction of the workers which directly translates to dissatisfaction of customers.

Training develops self efficacy and results in superior performance on job (Svenja, 2007), by replacing the traditional weak practices by efficient and effective work related practices (Kathiravan, et al 2006).Effective training and development programs are aimed at improving the employees' performance. Training refers to bridging the gap between the current

30

performance and the standard desired performance. Training could be given through different methods such as on the coaching and mentoring, peers cooperation and participation by the subordinates. This team work enable employees to actively participate on the job and produces better performance, hence improving organizational performance and customer satisfaction.

Training programs not only develops employees but also help an organization to make best use of their human resources in favour of gaining competitive advantage. Therefore, it seems mandatory by the firm to plan for such a training programs for its employees to enhance their abilities and competencies that are needed at the workplace,(Jie and Roger, 2005).

Training not only develops the capabilities of the employee but sharpen their thinking ability and creativity in order to take better decision in time and in more productive manner (David, 2006). Moreover it also enables employees to deal with the customer in an effective manner and respond to their complaints in timely manner (Hollenbeck, Derue and Guzzo, 2004).

Rowden (2002), suggest that training may also be an efficient tool for improving ones job satisfaction, as employee better performance leads to appreciation by the top management, hence employee feel more adjusted with his job. According to Rowden and Conine (2005), trained employees are more able to satisfy the customers (Tsai et al., 2007), employees who learn as a result of training program shows a greater level of job satisfaction along with superior performance.

The role of employees in service organizations is comparable to the role of the service itself. Their importance to the firm is critical to both service delivery and service production. Service is all about the people (employees) because they appear more often to be the most tangible clue to customers' perception of what quality service entails. Customer satisfaction relies on motivated and qualified staff. The people rendering the services to customers should have the attribute of knowledge and ability to inspire trust and confidence in the customers. It is crucial for any organization to keep their current customers satisfied, while attracting new customers. If the staff is not knowledgeable and considerable, they would not be able to render quality services to the customers. Customer service is diverse and cuts across various industries, sectors, and environments. Hence there is no definite set of qualifications for the staff to possess. However, despite the diversity of circumstance, all customer service has human

31

interaction at it score. Customer service is always about people helping other people, and as such, certain attributes are universally helpful for the staff who have to serve the customer to possess (Chaichi,2012).

Scott, Clothier and Spriegel (1977) argued that training is the crux of better organizational management, as it makes employees more efficient and effective. They further elaborated that training practice is have a strong bond with all other human resource practices as (Mamoria, 1995), it enables employees to develop themselves within the firm and raise their market value in the market. Moreover, training supports to shape employees' job related behavior and facilitate them to participate for the success of the organization and ultimately firm gets higher return due to superior performance of its employees. Mamoria (1995), further mentioned that a well trained worker is able to make a best use of organizational resources along with minimum level of wastages. As stated by Ohabunwa (1999), when employees are well trained organization can delegate responsibility and authority to them with full confidence of ensuring organizational success.

Malallah (2011), states that training has been an important mechanism for re-focusing existing staff on customer satisfaction as a new priority and for developing or strengthening their customer service skills. In addition, structured communication with staff has helped planners identify and respond to customer service challenges. Training is a viable method to build and maintain a customer focus and to keep the current customer base. Customer service training is based on the assumption that changing the organization's service culture by empowering employees to better serve the customer through personal enrichment training. There is need for employee training and restructuring of human resources procedures and policies in order to build and maintain a good business relationship with the customers.

Bartel (1994), reports that there is a positive correlation between effective training program and employee productivity, however to make it possible, (Swart et al., 2005), it is the responsibility of the managers to identify the factors that hinders training program effectiveness and should take necessary measures to neutralize their effect on employee performance. In addition, Ahmad and Bakar (2003), concluded that high level of employee commitment is achieved if training

achieve learning outcomes and improves the performance, both on individual and organizational level.

According to Lang (1992) training should be planned in such a way that it results in organizational commitment. On the other hand Gaertner and Nollen (1989) proposed that employees' commitment is a result of some human resource practices, that is, succession planning and promotions, career development and training opportunities. All these practices, when achieved results in greater employee performance. Moreover, Meyer and Smith (2000), investigate the link between Human Resource Management practices and organizational commitment, so as to discover the causes of effective employee performance.

Bartel (1994) examined job redesign, performance appraisal and employee involvement and found out that training was unaffected by the implementation of these practices in its performance enhancing effects. When he used value added measure of productivity based upon net sales per employee, the results were that the introduction of new training programmes led to a productivity gain of 18.86% over the three years and this gain applied across the board to low performing and high performing companies.

Holzer *et al,* (1993) studied the effect of training grants on firm's training effort and found out that that the one off training grants led to a doubling or tripling of the training effort during the period of the grant. D' Arcimoles on the other hand examined the effects of employee training upon the financial performance of 61 French firms and found that there were significant immediate and lagged effects meaning that training expenses are a good sign of future economic performance.

Smits (2006) studied the effects of apprenticeship training by obtaining the required data through employee interviews which helped him determine the linkage between training value and training purpose. This learning was reflected by the philosophy that worker and organizational performance are the essential resulting factor from the behavior of the workers. Baan (2007) researched internal results and experiences of the guidance and growth program.

The above works looked at various issues in employee training but failed to clarify the relationship that exists between employee training and customer satisfaction. Whereas Scott,

Clothier and Spriegel (1977) argued that training is the crux of better organizational management, as it makes employees more efficient and effective, Malallah (2011) states that training has been an important mechanism for re-focusing existing staff on customer satisfaction as a new priority and for developing or strengthening their customer service skills. Bartel (1994), merely reports that there is a positive correlation between effective training program and employee productivity. Lang (1992) however argues that training should be planned in such a way that it results in organizational commitment. On the same note the empirical evidences also show that past studies have not been able to investigate the relationship between employee training and customer satisfaction. Bartel (1994) examined job redesign performance appraisal and employee involvement and found out that training was unaffected by the implementation of these practices in its performance enhancing effects. In Holzer et al, (1993) studies, the effect of training grants on firm's training effort found out that that the one off training grants led to a doubling or tripling of the training effort during the period of the grant. Smits (2006) however studied the effects of apprenticeship training by obtaining the required data through employee interviews which helped him determine the linkage between training value and training purpose. It is therefore clear that the literature reviewed above did not attempt to establish the relationship that exists between employee training and customer satisfaction. This still remain unknown especially in the case of Kisumu Water and Sewerage.

2.2.5 Relationship between Customer's Experiences and Customer's Satisfaction.

Customer experiences is the sum of all experiences of customer has with marketer of good and service, over the duration of the relationship with their marketer. It can also be used to mean an individual experience over one transaction, the distinction is user usually clear in context (www.en.wikipedia.org). Providing a unique customer experiences is the key to winning the hearts and minds of consumers in the new millennium. Their work indicated that consumers value the experiences of goods or services more than its actual tangible. In fact the experiences become a key element of the overall product being purchased and consumed (Pine & Gilmore, 1990).

The consumer's satisfaction or dissatisfaction is consequences of consumption or service experiences (Janiszewski, 2009). The process of consumer behavior describe the basic step that

an ultimate consumer goes through in satisfying what customer want in the market which is problem recognition to information search and choice and post decision evaluation (Pine & Gilmore,1990).

Customer satisfaction based on experiences in the interpretation of the exchange relationship in the marketplace. The ongoing buyer seller relationships take many different forms. The buyer's perception of the effectiveness of the exchange relationship is a significant mobility barrier and potential competitive advantage for the seller that insulates from price competition.

CHAPTER THREE
RESEARCH METHODOLOGY

3. Introduction

This chapter provides an overview of the methods used to collect and process data. It gives the research design the sample selection methods, size, and data processing.

3.1 Research Design

The researcher employed cross sectional survey design. Cross sectional survey research design. This study design was chosen because it ensures that a variety of views over the same issue are captured in a short time, and this increases the external validity of the study. it also save time and cost which may be incurred in repeated data collection.

3.2 Study Area

The study was conducted in Kisumu City ,the third largest city in Kenya located on the Western part of Kenya positioned on the shores of Lake Victoria, It is a center of trade between the East African countries due to its proximity to their borders. It lies between longitudes 33^0 20^0 and $35^0 20^0$ E and latitude $0^0 20^{0s}$ and $0^0 50^{0s}$.

3.3 Target population

The study population constituted key informant interviewees of 140 staff members from Kisumu Water and Sewerage Company who were drawn from the five major departments, and the other group constituted domestic customers from Milimani zone. These people were chosen for the study because they are well mapped according to the KIWASCO service records. The Milimani zone constituted a total population of 2,736 already connected customers (KIWASCO, 2014), therefore the target population was 2,876 respondents.

3.4 Sampling

3.4.1 Sample size

The sample for this study consisted of Milimani customers and KIWASCO employees. The sample of respondents was determined using the formula adopted (Krejcie& Morgan, 1970).Using the Morgan's table to extract the sample size from a population of 2,876, the table depicted at ±5%, Precision Levels where Confidence Level is 95% and P=.5 the sample size was **240**. (205 customers from Millimani area and 35 employees from Kisumu water and Sewerage Company)

$$S = X^2 NP(1 - P) \div d^2(N - 1) + X^2 P(1 - P)$$

Where:

S = Required sample size

X^2 = The table value of chi-square for 1 degree of freedom at the desired confidence level

N = The population size

P = The population proportion (Assumed to be .50 since this would provide maximum sample size)

d = the degree of accuracy expressed as a proportion (0.5)

Source: Krejcie & Morgan 1970

3.4.2 Sampling Technique

The study used simple random sampling on Millimani customers and purposive sampling on the employees of KIWASCO. The researcher employed these sampling techniques because they enabled an in-depth knowledge of the study using a small population sample from each of the selected respondents. Simple random sampling enabled the researcher to give the respondents an equal chance of being selected hence minimizing gender bias in the research, this technique was applied when selecting respondents who were engaged in the focused group discussion. Whereas Purposive sampling as a technique allowed a researcher to use cases that have the required information with respect to the objectives of the study (Gay, 2006) this technique was employed on KIWASCO key employees.

3.5 Data collection

3.5.1 Sources of Data Collection

Both primary and secondary data was collected for the study. Primary data was collected from selected respondents using Focus Group Discussion guides, Key Informant Interview Guides, Observation list and Household Questionnaires. Secondary sources included relevant documents and reports.

3.5.2 Data Collection Procedure

The researcher identified and interviewed Field Research Assistants for the exercise. The criterion for selection was that they must have completed secondary school, conversant with the study area and able to communicate in the local language (Luo). Their knowledge of the area contributed to the creation of confidence of the respondents and a more serious response.

3.5.3 Instrument for Data Collection

3.5.3.1 Questionnaires

Structured questionnaire were the main instrument of the study to be administered to the respondents to gather quantitative data. The researcher preferred to use this method because of its ability to solicit information from respondents within a short time as supported by Gupta, (2009). Both Open and closed ended questionnaires were administered, this was because Close ended questionnaires were easier to analyze since they were in an immediate usable form and again each item was followed by alternative answers. Open ended questions permit a great depth of response, a respondent was allowed to give a personal response, usually reasons for the response given were directly or indirectly included in the study. Data from households focused on the challenges faced on the consumption and distribution of quality water by KIWASCO, a total of 240 questionnaires were administered in the study.

3.5.3.2 Focused Group Discussion Guides

Focus groups are groups of people whose opinions and experiences are solicited simultaneously; this was efficient in that it generated a lot of dialogue. The composition of the groups was limited to those with similar characteristics, such as socio economic status, so that the members could feel free in contributing to the issues at hand. This allowed members to share their views, experiences and opinions. Focused group discussions were employed to gather data from Kiwasco employees. In this category data was gathered to establish the efforts made by KIWASCO staff to improve quality and distribution of water to the residents of Kisumu, a total of 20 respondents were engaged.

3.5.3.3 Key Informant Interviews

Key informant interviews were used for the domestic consumers of water and equally staff from KIWASCO, the interviews objective was to establish the main concerns of the respondents and seeking the way forward. Interviews were designed in such a way that more specific and truthful answers that related to the topic were realized. Interviews have been preferred because according to (Gupta, 2009), they give an opportunity to probe detailed information on an issue. Interviews made it possible to obtain data required to meet specific objectives of the study. Interviews were more flexible than questionnaires because the interviewer could adapt to the situation and get as much information as possible. Registered water consumers were the key informants. This category yielded crucial data on the challenges faced by water consumers in Kisumu County, equally solutions to these challenges were sought form Kiwasco employees, a total of 2 groups of 20 respondents were selected based on the numerous departments.

3.5.4 Reliability and Validity

In order for the study to control quality, the researcher endeavored to attain validity co-efficient of at least 0.70 or 70%, validity refers to process of ascertaining the degree to which the test measures and what it purports to be measuring. Validity was determined by giving to two experts in the area of research to evaluate the relevance of each item in the instrument to the objectives and rate each item on the scale of very relevant (4) quite relevant (3) somewhat relevant (2) and not relevant (1). Validity was determined using content validity index (C.V.I)

CVI= items rated 3 or 4 by both judges divided by the total number of items in the questionnaire. This was symbolized as $n\frac{3}{4}/N$. This technique was selected because it was easy to establish the validity of the research instruments thus revising and adjusting them based on the responses obtained and recommendation from the experts. The instruments were piloted in Milimani East which was not included in the study sample and modified to improve their validity coefficients to at least 0.70. Items with validity coefficients of at least 0.70 were accepted as valid and reliable in research (Kothari and Pals, 2003).

To ensure quality assurance of data collected, research assistants were trained for two days prior to data collection. To test consistency in producing a reliable result (reliability), a test-retest method was used. A sample of one percent of the sample size was drawn from the study area (these subjects did not participate in the main research) as part of a pre-test (Orodho, 2004)

3.6 Data analysis and Presentation

The research involved both qualitative and quantitative data. Qualitative data was analyzed according to the emerging themes and sub themes this was through selection of similar statements hence qualitative findings were synchronized with quantitative findings. Quantitative data was coded to be entered into database and analyzed through descriptive statistics (frequency statistics) which was used to describe the population.

Descriptive statistics aimed to summarize data set quantitatively without employing a probabilistic formulation, rather than use the data to make inferences about the population that the data are thought to represent Mugenda *et. al*, (2003)
The analyzed data was presented in textual form and tables. percentages used to compare the response rates.

CHAPTER FOUR

RESULTS AND DISCUSSION

4. Introduction

This chapter is divided into two main sections. The first section addresses the descriptive aspects of the data such as the demography of the sample data while the second part deals with the quantitative or inferential statistics. Therefore, the specific objectives of the study are addressed in this chapter.

4.1 Analysis of Gender Distribution of Respondents

Table 4.1: Gender Distribution of the respondents

Gender	Frequency	Percentage
Male	170	70
Female	70	30
Total	240	100.0

Field Survey (2014)

The number of interviewed respondents included 20respondents who had registered complaints at Kiwasco and 20 Kiwasco employees whose department dealt with customer complaints. However 20 respondents were equally subjected to focused group discussion and their responses are provided to support the analysis46 respondents did not participate in the study.

4.2 Demographic characteristics of the respondents.

4.2.1 Distribution of Respondents by Gender

Table 4.2: The distribution of respondents by their level of education

Level of Education	Total No. of respondents	Male	Female	Total Percentage
Masters	16	10	6	7
Degree	74	44	30	30
Diploma	150	116	34	63
Total	240	170	70	100

Field Survey (2014)

As can be observed from table 4.3, the gender distribution of the respondents 170(70%) of the respondents were male and the other 70(30%) of the respondents represented female. The results indicate that during the survey, both sexes were accessible however it was established that there were men than women.

During the interviews respondents stated that *majority of the clients were predominantly men more than women*, this assertion supported the stated difference on accessibility.

4.3. Distribution of Respondents by level of education

The respondent's level of education was deemed worth establishing because the education level of the individual determines his or her ability to possess adequate information and interaction with the data collecting tools. The results on the level of education of the respondents are presented in Table. (4.3)

Table 4.3: The distribution of respondents by their level of education

Level of Education	Total No. of respondents	Male	Female	Total Percentage
Masters	16	10	6	7
Degree	74	44	30	30
Diploma	150	116	34	63
Total	240	170	70	100

Field Survey (2014)

The findings on table 4.3 shows the respondents' education background and depicted that 16(7%) were postgraduate holders, 74(30%) graduates. Those with diploma certificates were 150(63%). The above results indicated that there were more diploma holders than degree and masters. There was equally considerable gap between the male and female respondents as demonstrated by the table 4.3.

The study established that all the respondents were literate, thus they could interpret the data collection tools without enumerators.

4.4 Distribution of the Respondents by experience

This variable was deemed worth establishing because the respondents experience determined his or her ability to possess adequate information concerning the role of customer management strategies on customer satisfaction in the service industry. The results on the distribution of the respondents experience with Kiwasco Services are presented in Table. (4.4)

Table 4.4: Distribution of the respondents experience with Kiwasco Services

Years of experience	Respondents	Percentage
1-3 years	115	48
4-7 years	85	35
7-10 years	34	14
Over 10 years	6	
		3
Total	240	100

Field Survey (2014)

The demographic data from the respondents revealed that the years of experience was between 1-10 years and above. As expressed by Table 4.4, the respondents experience with Kiwasco services was unevenly distributed. That is, 115(48%) had spent a period between 1-3 years as compared to 85(35%) who had spent 4-7 years acquiring this services. Those who had spent 7-10 years were 34(14%) of the total participants. This distribution left 6(3%) of the respondents to have acquire this services for a period of over 10 years. The study established that the respondents had varying experiences with Kiwasco thus varied opinions could be generated.

Through the interviews the respondents opined that *'they had recently moved in to Milimani area from other parts of the town and country''*. The study also established that the respondents who had stayed for a longer time owned houses in the area. The majority of respondents therefore qualified for this study having stayed in Milimani for moderate time. In order to get answers to ascertain this research question, the researcher inquired from the respondents the type of employment they were engaged in; the results are presented on Table. 4.5

Table 4.5: The respondents type of employment

Type of employment	Respondents	Percentage
Public employment	65	26
Private employment	45	18
Self-employment	90	38
Student	25	12
Unemployed	15	6
Total	**240**	**100**

Field Survey (2014)

Table 4.5 revealed that 65(26%) of the respondents worked in the public service, while 45(18%) of the respondents were in private employment, while 90(38%) of the respondent stated that they were in self-employment, The other 25(12%) were students, and the remaining 15 (6%) of the respondents were unemployed. These findings therefore revealed that a majority of the respondents were self-employed.

During the interview sessions most respondents were of Asian origin and stated that *they were on self-employment, equally the students living in Milimani stated that they were students who had rented servant quarters in the area.*

4.5 Service delivery on customer satisfaction with services at KIWASCO

The first research question of this study was derived from the first research objective. The question sought to establish the effects of prompt service delivery on customer satisfaction services at KIWASCO. The main aim was to explore whether respondents were subscribed to Kiwasco services and the results are presented on table 4.6.

44

Table 4.6: Respondents subscribed to Kiwasco services

KIWASCO Subscription	Respondents	Percentage
Yes	227	95
No	-	-
Used To	13	5
Never	-	-
Total	**240**	**100**

Field Survey (2014)

The table above shows the number of respondents subscribed to Kiwasco services 227(95%) of the respondents state that they had subscribed to Kiwasco services while 13(5%) of the respondents stated that they used to subscribed to Kiwasco services. This means generally customers were satisfied with the water provision services provided by to them by Kisumu Water and Sewerage Company. The ones who were not satisfied with the quality of service provision by KIWASCO did not subscribe to their services. This therefore implies that there is a strong relationship between quality service provision and customer satisfaction as the response rate for those who agreed that they subscribe to the services of this firm were higher (95%) than those who did not agree. These findings agree with those of (Zeithaml, 2008) who found out that customers who perceive that they receive value for money are more satisfied than customers who do not perceive they receive value for money.(Parasuraman, 1988; Parasuraman et al., 1985; Woodside et al., 1989) also asserted that if clients' evaluations of past service quality is high, they will tend to evaluate the most recent service encounter as satisfactory which is in agreement with these findings. Oliver (1993) first suggested that service quality would be antecedence of customer satisfaction.

In particular, it has been observed that if a customer perceives service quality to be high, he/she will have high levels of satisfaction (Ganesh et al., 2000; Caruana, 2002). Ganesh et al. (2000) reported that if a business performs a service that surpasses customer expectations, the customer will be satisfied and is likely to be a repeat customer at the establishment that provided the

service. This perspective suggests that poor service delivery would be a major cause of dissatisfaction among consumers which is also a confirmation to these results.

The interview session established that majority of the respondents had subscribed to Kiwasco services, however a minority of the respondents stated *that they no longer subscribe to the services and preferred to purchase water from vendors*.

Table 4.7: Respondents satisfied with Kiwasco services

Satisfaction with Kiwasco services	Respondents	Percentage
Yes	80	33
No	160	67
Total	240	100

Field Survey (2014)

Table 4.7 showed results depicting the respondent's opinion with regard to whether respondents were satisfied with Kiwasco services, 80(33%) of the respondents said that they were satisfied with their services however 160(67%) of the respondents felt that they were not satisfied with services. From the results, it can be deduced that the level of satisfaction of customers to the services KIWASCO provides them falls far away below their expectation. This points to the reason why many of them do not prefer to subscribe to its services and instead a majority opt for using mobile water vendors to supply them with water and sewer services. This agrees with the findings of a study done by Wiele et al., 2002; Vilares & Coehlo, (2001) who found out that higher quality of service is associated with higher customer satisfaction whilst lower quality of service is related to lower customer satisfaction.

During the interview sessions respondents sharply stated how dissatisfied they were with Kiwasco services. The respondents further stated that *the irregular water supply was a menace to them yet they paid their bills promptly*. During the focused group discussion the respondents stated that *"Kiwasco employees never took their job seriously, they complained of artificial billing of water, delays in sewerage unblocking and irregular water supply"*. They further stated that *'When it rains, sewerage mixes with water in the pipes. So you have to run the taps*

46

for about 10 minutes to get clean water.' Respondents stated that from the source, water is clean, but the main problem is the pipes have leakages and some are brokens. That's why people continue to have contaminated tap water.' The pipes are being vandalized by people or cars and once broken, waste water will mix and the water will be contaminated.

The above findings can be supported by (William and Bertsch, 2002) who stated that the achievement of a strong customer satisfaction is closely related to the understanding customer needs and expectations. (Zeithaml, 2008) found out that customers who perceive that they receive value for money are more satisfied than customers who do not perceive they receive value for money. Several studies have also shown that perceived value is significant determinant of customer satisfaction (Anderson *et al.*2004); (Ravald and Gronroos, 2006); and (McDougall and Levesque, 2000). It is apparent from this review that one of the factors customers use to determine satisfaction level is the benefits received from a product or service in comparison with what is spent. Perceived value is not a focus of this study however customer satisfaction evaluation captures perceived value; the assessment shows what consumers' value in the service received.

4.6Complaints management on customer satisfaction services at KIWASCO

The second research question of this study was derived from the second research objective. The second question sought to explore the effects of complaints management on customer satisfaction services at KIWASCO. In order to get answers to ascertain this research question, the researcher inquired from the respondents whether customers were satisfied with the complaints management; the results are presented on table 4.8

Table 4.8: Customers satisfaction with the complaints management

Complaints management	Respondents	Percentage
Good overall customer care service	66	28
Ability to get attendant quickly	47	20
Satisfactory attitude of the attendant	36	15
Ability to provide a solution	45	18
Poor customer Management	46	19
Total	**240**	**100**

Field Survey (2014)

When the respondents were asked whether they were satisfied with the complaints management at KIWASCO, 66(28%) of them stated that there was good overall customer care service, 47(20%) stated that there was an ability to get attendants quickly, 36(15%) said that there was satisfactory attitude from the attendants, while 45(18%) stated that complaints management had the ability to provide a solution, and finally 46(19%) of the respondents felt that there was poor customer management. From the results, it was evident therefore that customer complaints management at KIWASCO was satisfactory as it got the highest response rate. These findings are in agreement with the study done by Johnston,(2001) reported that complaint management, not only results into increased customer satisfaction, but also leads to operational improvement and improved financial performance. Other scholars like Albrecht and Zemke, (2005) also had the same argument that of customers who register complaints, between 54% and 70% will do business again with the company if their complaints are resolved .This figure increases to 95% if the customer feels that the complaint was resolved promptly. Customers who have complained to a company and had their complaints satisfactorily resolved tell an average of five people about the good treatment they received. (Hart *et al.*, 2000), reported that when the service provider accepts responsibility and resolves the problem when customers complain, the customer becomes "bonded" to the company. (Mc Neale, 2004) found out that about 5% of the

dissatisfied customers actually complain to the appropriate companies but easily tell their friends, colleagues and acquaintances about their experiences. Thus, companies ought to be aware or routinely investigate how well or badly their customers are treated.

The interview sessions established that *Good overall customer care service was provided at Kiwasco offices*, however during the focused group discussion the respondent stated that *despite the long queues at the complaints desk they were given the service however they complained about very poor follow up and in most cases had to call back to remind the complaints desk about their problem and provide details again.*

4.7:Relationships between customer care services and customer satisfaction services at KIWASCO

The Third research question of this study was derived from the third research objective. The question sought to explore the relationship between customer care services and customer satisfaction services at KIWASCO. In order to get answers to ascertain this research question, the researcher inquired from the respondent their perceptions on a number of issues. These issues included establishing the whether Kiwasco employees were satisfied with their jobs, the results are presented on table 4.11.

Table 4.9:Kiwasco employees satisfied with their jobs

Job Satisfaction	Frequency	Percentage
Very satisfied	12	8
Satisfied	88	63
Dissatisfied	25	18
Very dissatisfied	15	11
Total	**140**	**100**

Field Survey (2014)

The table above indicates that 12(8%) of the respondents were very satisfied, 88(63%) of the respondents felt that they were satisfied, this left a distribution of 25(18%) of the respondents who were dissatisfied, while 15(11%) of the respondents felt very dissatisfied with their jobs. Generally the findings above indicate that a majority of employees of KIWASCO were satisfied with their jobs which therefore points to the fact that this company provides conducive working environment to its worker through provision of avenues for upward growth which is enabled through employee training. This finding is in agreement with the assertion of Colombo, (2006) who posited that in order for organizations to realize the best possible interaction between their employees and the customer, they must ensure that employees are trained adequately in customer service, and also be empowered to make decisions that enhance customer service. Customers will continue to show strong favoritism to organizations that offer personal, custom, 'just-for-you' service, whether using the technology of the Internet or in face-to-face transactions. Because of this, employees are increasingly having to deal with hostile and angry customers and will be required to have the skills and abilities necessary to deal with them (Colombo, 2006). It also concurs with the theory of Rowden (2002), who suggest that training may be an efficient tool for improving ones job satisfaction, as employee better performance leads to appreciation by the top management, hence employee feel more adjusted with his job. According to Rowden and Conine (2005), trained employees are more able to satisfy the customers. Tsai et al., (2007), further agree by saying that employees who learn as a result of training program shows a greater level of job satisfaction along with superior performance.

The interview session established that *most of the Kiwasco employees were satisfied with their jobs.* However during the focused group discussion *a fraction of the employees stated that they were dissatisfied with their jobs because the salary was too low.*

Table 4.10: Career Development at Kiwasco and customer satisfaction

Respondents	Frequency	Percentage
Customers are more satisfied when served by trained employees	32	23
Trained employees have better approach to customer complaints	46	33
Trained employees are more responsive to changing customer needs	37	26
Training employees have no relationship with job performance	25	18
Total	140	100

Field Survey (2014)

Table 4.14 depicted findings on Career Development at Kiwasco, 32(23%) of the respondents felt that they have a clearly established career path at Kiwasco, 46(33%) of the respondents were of the opinion that there were opportunities to learn and grow, 37(26%) of the respondents felt that the training was appropriate and adequate, while 25(18%) of the respondents stated that they had opportunities for training and education. The study findings established that there were opportunities to learn and grow at Kiwasco.

Table 4.11: Kiwasco Working Conditions

Working Conditions	Frequency	Percentage
I believe my job is secure	27	19
My physical working conditions are good	30	21
	38	27
Deadlines at Kiwasco are realistic	12	9
	33	24
My workload is reasonable		
I can keep a reasonable balance between work and personal life		
Total	**140**	**100**

Field Survey (2014)

The analysis above revealed that 27(19%) of the respondents stated that they believed their job was secure, 30(21%) of the respondents stated that physical working conditions were good, 38(27%) of the respondents felt that Deadlines at Kiwasco are realistic, 12(9%) of the respondents were of the opinion that the workload was reasonable, 33(24%) of the respondents stated that they kept a reasonable balance between work and personal life. The study findings established that the deadlines at Kiwasco were realistic and hence respondents suffered heavy workloads.

The interview session established that *deadlines at Kiwasco were realistic and that if one did not meet them then the whole system would end up being corrupted.* However during the focused group discussion the respondents stated that *the working conditions at KIWASCO were not sound enough and that if they found other better jobs they would opt for them.* (Musaazi, 2005) confirms this by arguing that employees will leave the organization in order to find jobs which better match their skills and interests.

CHAPTER FIVE
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5. Introduction

This chapter presents a summary of study findings, conclusions and recommendations based on the major findings.

5.1 Summary of the Findings

The first objective was to establish the effect of service delivery on customer satisfaction. Descriptive statistics were computed on the 240responses. The study revealed 33% of the respondents were in agreement that the level of service delivery was satisfactory.67% responded on the contrary. This generally meant that the customers were not satisfied with the services that they receive at Kiwasco and this led to very low level of customer satisfaction.

The second objective of the study was to assess the effects of complaints management on customer satisfaction. Descriptive statistics was computed on the responses that were given by the respondents and it emerged that the greatest result of effective complaint management is that it leads to overall improvement in customer care service with a response rate of 28% which was the highest. This was followed by ability to get attendants quickly with a response rate of 20% and finally others said that it led to satisfactory attitude of the customer care attendants(15%). Overall this meant that for customer complaints to be managed , effectively, then the overall customer care service must be improved.

The third objective of the study was to examine the relationship between customer care and customer satisfaction. Descriptive statistics were tabulated on the responses received it was observed that a majority of the customers were satisfied with the services that they receive at Kiwasco with a percentage response rate of 71%. Only 11% of the of the respondents were dissatisfied with the services offered by this company.

The last objective was to establish the relationship between training and customer satisfaction at Kiwasco. Descriptive statistics were computed to determine the percentage rate of respondents that there are changes that come with employee training and development. It was established that employees derive a lot of skills of serving customers as a result of training. The respondents

with the highest response rate agreed that training employees make them have better approach to handle customer's complaints (82%).

5.2 Conclusion

From the above findings the study concludes thatcustomers at Kisumu water and Sewerage Company were not satisfied with the services that they receive at Kiwasco and this led to very low level of customer satisfaction. It can also be concluded that effective customer complaints management leads to overall improvement in customer care service and that there is a relationship between customer care and customer satisfaction at KIWASCO and finally, it can be concluded from the findings of the fourth objective that training and development make employees have a better approach to handle customer care complaints.

5.3 Recommendations

In line with the first objective the study recommended that, the KIWASCO should strengthen the customer management strategies on customer satisfaction by establishing a good monitoring system that can quickly deliver services to its clients. Kiwasco should adopt a more elaborate system of handling complaints including an online system, and mobile phone system where customers can register their complaints through sending small messages alerts that could be charged a small fee and also act as a source of revenue collection. Moreover, the company's management should provide customer training to all employees, no matter what their position or title, this would send the message to the employees that service is important and is the responsibility of everyone.

5.4 Suggestions for Further Research

The study was only limited to the investigation of how the five customer management strategies which are Service Quality, Complaints management, Customer care services, Employee training and how customer experience affect customer satisfaction. There are many more other customer management strategies that can be used by an organization but were not explored in this study. Future studies should therefore focus on those strategies that were not covered under this study. At the same time the relationships between variables in this study were just described

using percentages which may have not brought clearly the strength and the direction of those relationships. It is therefore suggested that future research in related areas that want to investigate relationships and effects to use stronger tools like correlation and regression analysis. Finally, other studies can also use moderating variables in the same study to establish how such variables may bring a change in the relationship between the dependent and independent variables.

REFERENCES

Ahmad, J. and Kamal, N., (2002)- Customer satisfaction and retail banking: an assessment of some the key antecedents of customer satisfaction in retail banking. *International Journal of Bank Marketing*, 20/4.

Albrecht, K. and Zemke, R. (2005) - *Service America*, Homewood, IL. Dow Jones, Irwin.

Anderson, E.A. and Sullivan, M.W., (2003) – "The antecedents and consequences of customer satisfaction for firms", *Marketing Science*, Vol.12 Spring.

Anderson, E.W., Fornell, C. and Lehmann, D.R. (2004), ``Customer satisfaction, market share, and profitability: findings from Sweden", *Journal of Marketing*, Vol. 58, July.

Anderson, R.E. (1973) – "Consumer dissatisfaction: the effect of disconfirmed expectancy on perceived product performance", *Journal of Marketing Research*, Vol.

Bearden, W.O. and Teel, J.E. (2003) – "Selected determinants of consumer satisfaction and complaint reports", *Journal of Marketing Research*, Vol. 20, February,

Budds, J. & G. McGranahan (2003), '*Are the debates on water privatization missing the point? Experiences from Africa, Asia and Latin America.*' Environment & Urbanization 15(2): 87-113.

Cadotte, E, R, R.B.Woodruff and Jenkins, R.L (2007)- Expectations and norms in models of consumer satisfaction, *Journal of Marketing research*, 24, Aug.

Cadotte, E.R. and Turgeon, N. (2008) – "Key factors in guest satisfaction", *Cornell Hotel and Restaurant Quarterly*, Vol. 28 No. 4.

Churchill, G.A and Surprenant, C (2002) - An investigation into the determinants of customer satisfaction, *Journal of Marketing research*, 19, Nov.

Dabholkar, P.A., Thorpe, D.I. and Rentz, J.O. (2006) – "A measure of service quality for retail stores: scale development and validation", *Journal of the Academy of Marketing Science*, Vol. 24, Winter.

Fisk, R.P. and Young, C.E. (1985) - *"Disconfirmation of equity expectations: effects on consumer satisfaction with services"*, in Hirschman, E. and Holbrook, H. (Eds), Advances in Consumer Research, Association for Consumer Research, Provo, UT.

Fornell, C. (2002) - A national customer satisfaction barometer: The Swedish experience. *Journal of Marketing*, 56, 6-21.

Fornell, C., Johnson, M. D., Anderson, E. W., Cha, J., & Bryant, B. E. (2006). The American Customer Satisfaction Index: Nature, purpose, and findings. *Journal of Marketing*, 60(4), 7–18.

Gay L. R (2006). *Education research: Competencies for analysis and application* Toronto, Prentice hall of Canada Inc.

Gupta S (2009). *Research methodology and statistical techniques*, New Delhi, Deep and Deep.

Gerpott, T.J., Rams, W., and Schindler, A., (2001) – "Customer retention, loyalty, and satisfaction in the German mobile telecommunications market, Telecommunications *Policy,* Vol. 25 No. 4

Grönroos, C. (2004) – "A service quality model and its marketing implications", European *Journal of Marketing*, Vol. 18 No. 4

Grönroos, C. (2005) – *"Internal marketing - theory and practice"*, in Block, T.M., Upah, G.D. and Zeithaml, V.A. (Eds), Services Marketing in a Changing Environment, American Marketing Association, Chicago, IL.

Haslam, S.A., McGarty, C., Oakes, P.J. and Turner, J.C. (1993), "Social comparative context and illusory correlation: testing between in group bias and social identity models of stereotype formation", *Australian Journal of Psychology*, Vol. 45.

Hasnich, K.A. (2002) - "The job descriptive index revisited: questions about the question mark". *Journal of Applied Psychology* 77(3) (June).

Heskett, J.L., Sasser, W.E. Jr. and Schlesinger, L.A. (2007)-*The Service Profit Chain*, Free Press, New York, NY.

Hill, N. and Alexander, J. (2000) – *Handbook of customer satisfaction and loyalty measurement*, 2nd ed., Gower Publishing Ltd., England.

Holbrook, M. (2004) – *"The nature of customer value: an anthology of services in the consumption experience"*, in Rust, R.T. and Oliver, R.L. (Eds), Service Quality: New Directions in Theory and Practice, Sage Publications, Thousand Oaks, CA.

Homburg, C. and Giering, A. (2001) - "Personal characteristics as moderators of the relationship between customer satisfaction and loyalty – an empirical analysis", *Psychology and Marketing*, Vol. 18 No. 1.

Howard, J.A. and Sheth, J.N. (1969) - *The Theory of Buyer Behavior*, John Wiley & Sons, New York, NY.

Haralambos, M.; M. Holborn (2000). *Sociology: Themes and Perspectives*. Hammersmith, London: HarperCollins Publishers

Hunt, K.H. (Ed.) (2007)- *"Conceptualization and Measurement of Consumer Satisfaction and Dissatisfaction"*, Marketing Science Institute, Cambridge, MA.

Hunt, H.K. (2002) -" A "10" based on expectations, but normatively a 3.6371", in Day, R.L. and Hunt, H.K. (Eds), *Proceedings of the 7th Annual Conference on Consumer Satisfaction, Dissatisfaction and Complaining Behaviour*, University of Tennessee, Knoxville, TN, October.

Hurley, R.H. and Estelami, H. (2008) – "Alternative indices for monitoring customer perceptions of service quality: a comparative evaluation in a retail context", *Journal of the Academy of Marketing Science*, Vol. 26, Summer.

Jessie, L. Tucker III, Sheila, R.A - *Incorporating patients' assessments of satisfaction and quality: An integrative model of patients' evaluations of their care, Managing Service Quality*, Bedford: Vol. 11, Iss. 4.

58

Jones, T.O. and Sasser, W.E. Jr (2005) – "Why satisfied customers defect", *Harvard Business Review*, Vol. 73, November-December.

Kariuki, M. & J. Schwartz (2005), *Small-scale private service providers of water supply and electricity:* A review of incidence, structure, pricing and operating characteristics. Washington, DC: World Bank, Policy Research Working Paper no. 3727.

Levesque, T. and McDougall, G.H.G, (2006) - "Determinants of customer satisfaction in retail banking", *International Journal of Bank Marketing*, Vol. 14 No. 7.

Lightner, N. J. (2003) - *What users want in e-commerce design: effects of age, education and income. Ergonomics*, 46(1–3), 153–168.

McDougall, G. and Levesque, T. (2002) – "The measurement of service quality: some methodological issues", 2nd International Research Seminar in Service Management, La-Londe-Les Maures, France.

McDougall, H.G., and Levesque, T (2000) – "Customer satisfaction with services: putting perceived value into the equation", *Journal of Services Marketing*, Vol., 14 No. 5.

McNeale, R.M. (2004) - *Making customer satisfaction happens.* Chapman and Hall, London.

Mugenda ,O.M and A.G. Mugenda (2003) *Research Methods :Qualitative and Qualitative Approaches* :Nairobi: ACTS Press.

Naumann, E. (2005), *Customer Satisfaction Measurement and Management: Using the Voice of the Customer,* Thomson Executive Press, Cincinnati, OH.

Nyangena, K. (2008), *Privatization of water and sanitation services in Kenya: Challenges and prospects.* Africa Development 33(4): 117-131.

Ong'Or, B. T. I., and Long-Cang, S. (2007). "Water supply crisis and mitigation options in Kisumu City, Kenya," *Water Resources Development*, 23 (3).

Otiego, L. (2006), Commercialization of water services in informal settlements: Case study of Manyatta municipality in Kisumu, Kenya. *M.A Thesis*, University of Nairobi

59

Oliver, R.L. (1977) – "Effects of expectation and disconfirmation on post-exposure product evaluations: an alternative interpretation", *Journal of Applied Psychology*, Vol. 62 No. 4.

Oliver, R.L. (2001) – "Measurement and evaluation of satisfaction process in retail setting", *Journal of Retailing*, Vol. 57.

Oliver, R.L. (2009) - "Processing of the satisfaction response in consumption: a suggested framework and research propositions", *Journal of Consumer Satisfaction, Dissatisfaction, and Complaining Behavior*, Vol. 2.

Oliver, R.L. (2003) –"Cognitive, affective and attribute bases of the satisfaction response", *Journal of Consumer Research*, Vol. 20, December.

Oliver, R.L. (2006) - *Satisfaction: A Behavioral Perspective on the Consumer*, McGraw-Hill, New York, NY.

Oliver, R.L. (2007) – *Satisfaction: A behavioural perspective on the consumer*, Irwin/ McGraw-Hill, NY.

Oliver, R.L. (2009) - "Whence customer loyalty?"*Journal of Marketing*, Vol. 63.

Olshavsky, R.W. and Miller, J.A. (1972) – "Consumer expectations, product performance and perceived product quality", *Journal of Marketing* Research, Vol. 9, February.

Ovenden, A., (2005) –"Keep your customers happy and your competition will slowly fade away", *The TCM Magazine*, Vol. 7 No. 1.

Oyewole, P., 2001- Consumer's socio-demographic characteristics and satisfaction with services in the airline industry, *services Marketing Quarterly*, Binghamton, Vol.23, Iss. 2.

Parasuraman, A., Zeithaml, V.A. and Berry, L.L. (2008) – "SERVQUAL: a multiple-item scale for measuring consumer perceptions of service quality", *Journal of Retailing*, Vol. 64, Spring.

Parasuraman, A., Berry, L.L. and Zeithaml, V.A. (2001a) – "Refinement and reassessment of the SERVQUAL scale", *Journal of Retailing*, Vol. 67, Winter.

Parker, C., and Mathews, B.P., (2001) – *"Customer satisfaction: contrasting academic and consumers' interpretations"*, Marketing Intelligence and Planning, 19/1.

Pizam, A. and Ellis, T. (2009) – "Customer satisfaction and its measurement in hospitality enterprises", *International Journal of Contemporary Hospitality Management* 11/7 .

Porter, L.W. (1961) – "A study of perceived need satisfaction in bottom and middle management jobs", *Journal of Applied Psychology,* Vol. 45.

Reichheld, F.F. (2006) - *The Loyalty Effect, Harvard Business School Press,* Boston, MA.

Spreng, R., A. and Olshavsky, R, W., (2003) - "A Desires Congruency Model of Consumer Satisfaction," *Journal of the Academy of Marketing Science*, 21 (Summer).

Swan, J.E. and Oliver, R.L. (1985) –*"Automobile buyer satisfaction with the salesperson related to equity and disconfirmation"*, in Hunt, H.K. and Day, R.L. (Eds), Consumer Satisfaction and Complaining Behavior, Indiana University Press, Bloomington, IN.

Turel, O. and Serenko, A. (2006) - Satisfaction with mobile services in Canada: An empirical investigation, *Telecommunications Policy* 30

UNESCO (2012), World water development report, vol. 4: *Managing water under uncertainty and risk.* Paris: UNESCO.

VanAmburg, D. (2004) - *Personal communication regarding the ACSI scores for Canadian wireless service providers*, September 30. Ann Arbor, MI, USA.

Vavra, T.G. (2007) - *Improving Your Measurement of Customer Satisfaction: A Guide to Creating, Conducting, Analyzing, and Reporting Customer Satisfaction Measurement Programs*, ASQ Quality Press.

Venn, S. and Fone, D.L., 2005 - Assessing the influence of socio-demographic factors and health status on expression of satisfaction with GP services, *Bradford,* Vol. 10, Iss. 2.

Wagah, G., G. Onyango & J. Kibwage (2010), *'Accessibility of water services in Kisumu municipality,* Kenya.' Journal of Geography and Regional Planning 3(4): 114-125.

Weiner, B. (1980) – "A cognitive (attribution) - emotion - action model of motivated behavior: an analysis of judgments of help giving", *Journal of Personality and Social Psychology*, Vol. 39 No. 2.

Weiner, B. (2005) – "An attributional theory of achievement motivation and emotion", *Psychological Review*, Vol. 92, October.

Westbrook, R. and Reilly, M.D. (1983) –*"Value- percept disparity: an alternative to the disconfirmation of expectations theory of consumer satisfaction"*, in Bagozzi, R.P. and Tybout, A.M. (Eds), Advances in Consumer Research, Association for Consumer Research, Ann Arbor, MI.

Westbrook, R.A. (2000) - "Intrapersonal affective influences upon consumer satisfaction with product'", *Journal of Consumer Research*, Vol. 7, June.

Westbrook, R.A. and Oliver, R.L. (2001) – "The dimension ability of consumption emotional patterns and customer satisfaction", *Journal of Consumer Research*, Vol. 18, June.

Wiele, T. Vander, Boselie, P. and Hesselink, M., 2002- Empirical evidence for the relationship between customer satisfaction and business performance, *Managing Service Quality*, Vol. 12, No. 3.

William, R. and Bertsch, B. (1992) – *Quality leadership in Taiwan.* Phillips International Corporate Quality Bureau, Eindhoven.

Williams, B., Coyle, J. and Healty, D. (2008)-"The meaning of patient satisfaction: an explanation of high reported levels", *Social Science and Medicine*, Vol. 47.

WHO/UNICEF (2013), Progress on sanitation and drinking water: 2013 update. *Joint Monitoring Programme for Water Supply and Sanitation.* Geneva/New York: World Health Organization (WHO)/United Nations Children's Fund (UNICEF).

Yi, Y. (1990) – "A critical review of consumer satisfaction", in Zeithaml, V.A. (Ed.), Review of Marketing, *American Marketing Association*, Chicago, IL.

Zeithaml, V., Parasuraman, A. and Berry, L.L. (2000) - *Delivering Quality Service,* The Free Press, New York, NY.

Zeithaml, V.A. (2008) – "Consumer perceptions of price, quality, and value: a means-end model and synthesis of evidence", *Journal of Marketing*, Vol. 52, July.

Zeithaml, V.A., Berry, L.L. and Parasuraman, A. (2006) – "The behavioral consequences of service quality", *Journal of Marketing*, Vol. 60, April.

Zineldin, M., (2000) – "*TRM Total Relationship Management*, Studentlitteratur, Lund.