

## **Modeling customer satisfaction in cellular phone services**

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### **Abstract**

*Low tariffs, wider coverage and decent quality keep Pakistani cellular phone market growth at an alarming pace. Despite highest growth rate in the region, the lucrative Pakistani market is not free from challenges. The intensified competition is depicting a pattern of customer churn while the companies are still enjoying growth. This creates serious challenges for organizations in managing their existing customer while striving for growth. The common answer to such challenges is retaining customers through satisfaction. This research aims at answering what are the factors contributing towards customer satisfaction in Pakistani mobile cellular services? A typical two-stage survey was conducted. A qualitative research was conducted in first stage to collect factors, which contribute towards the customer satisfaction of a typical Pakistani cellular phone user. It was followed with a questionnaire to gather quantitative data for further analysis using conformity factor analysis. The results confirmed a multidimensional construct of customer satisfaction in Pakistani cellular phone communication sector. The findings suggest that customer satisfaction of cellular phone users in Pakistan constitute of four factors including price, transmission quality, usage ease and service support. This is in line with the previous research exploring the issue in other countries.*

### **Introduction**

Telecommunication technology enables business and industry to grow at a faster pace while simultaneously contributing to the economic development. Telecommunication infrastructure can be reliable indicator of economic development. It works as a factor that multiply economic growth by providing employment, improving business efficiency and contributing towards international investments (Anonymous, 2007). Growing customer's needs for cheap, accessible and efficient communication modes has resulted in to phenomenal growth of cellular phone industry around the world in general and especially in Pakistan

The cellular phone density in Pakistan increases from 0.22 percent at the turn of millennium to a current estimate around 32.07% (Anonymous, 2007) Table 1 shows the gradual increase of the sector. Pakistan cellular phone service market has currently six operators out of which five major service providers are using GSM technology.