APPLICATION THE RATER MODEL TO EVALUATE THE SERVICE QUALITY AT HO CHI MINH CITY TELECOM

Vo Van Tien[1]

[1] *Van Hien University*
[1] *TienVV@vhu.edu.vn*

ABSTRACT

Service quality is still a new concept to those working in the telecom service industries in Viet Nam since it has not been identified as a mandatory factor in increase competitive advantage, especially are state owned companies as Ho Chi Minh City Telecom Company (HCMCTC). Although the company has implemented many surveys on the level of the customers' satisfaction, the result has not yet reflected the comprehensive service quality offered by the company.

This research aims to conduct an assessment on service quality at Ho Chi Minh City Telecom Company based on the SERVQUAL model under the form of dimension-by-dimension analysis. The outcomes would help the top leaders to have an identified and full picture about the current service quality. Consequently, solution will be provided according to the findings of the research.

Keywords: *SERVQUAL, telecom service, customers' satisfaction, Ho Chi Minh City Telecom Company, FPT telecom, CMC Telecom.*

TÓM TẮT
Áp dụng rater model để đánh giá chất lượng dịch vụ
tại viễn thông thành phố Hồ Chí Minh

Chất lượng dịch vụ vẫn còn là một khái niệm còn mới đối nghành dịch vụ viễn thông tại Việt Nam bởi vì nó vẫn chưa được xác định như yếu tố bắt buộc trong việc gia tăng lợi thế cạnh tranh, đặc biệt là các doanh nghiệp nhà nước như công ty Viễn Thông Thành Phố Hồ Chí Minh. Mặc dù công ty đã triển khai nhiều khảo sát về mức độ hài lòng của khách hàng, kết quả vẫn không phản ánh được toàn diện chất lượng phục vụ được đưa ra bởi công ty.

Nghiên cứu này nhằm tiến hành đánh giá chất lượng dịch vụ tại công ty Viễn Thông Thành Phố Hồ Chí Minh dựa trên RATER model dưới hình thức phân tích các thước đo của model này. Kết quả sẽ giúp cho các nhà lãnh đạo của công ty có bức tranh đầy đủ về chất lượng dịch vụ hiện tại. Do vậy, các kiến nghị sẽ được cung cấp dựa trên kết quả của nghiên cứu này.

Từ khóa: *dịch vụ viễn thông, mức độ hài lòng của khách hàng, viễn Thông Thành Phố Hồ Chí Minh, viễn thông FPT, viễn thông CMC, chất lượng phục vụ.*

1. Rational of the study

In the recent years, the Vietnam government has allowed some local private companies as FPT telecom company and CMC Telecom company have penetrated in the Vietnam telecom market. Companies as FPT Telecom and CMC telecom have just entered the telecom market and they were hungry for the market so these companies found a lot of ways to attain a market share and this is a main reason that is created a new competition edge on the Vietnam telecom market. FPT Telecom and CMC Telecom inherited the service quality from its brother company (FPT group and CMC group) so they fix to the customer requirement quickly and offer many benefits to customers for them to obtain the significant customers in Ho Chi Minh City. A lot of customers before used HCMCTC's services now leaving for and using services from its competitors. Why these companies successful in attracted customers whereas HCMCTC failure in engaged new customers even lost many existing customers. All companies business in the same field, provide the same services, applied the same technologies and sometime, buy core systems and devices from an technology companies like Cisco, IBM, Siemens, Ericson corporations etc.. We are sure that FPT Telecom, CMC Telecom offered competitive strategy in which the service quality factor play an important role. Therefore, it is obvious Ho Chi Minh City Telecom Company is facing with the high competition edge so it need to change the existing business strategy to suit with current situation. Because of the market scenario was changed from single player to multi players. As the number of players increased so the level of expectations of the end users or customers has also increased, this lead to the customers not only have many choices but also have a higher bargaining power with company's provide services. To fix the customer expectations and sustainable competitive advantage over it competitors Ho Chi Minh City Telecom Company must bring good service quality to customers.

1.1. Objectives of the research

The aplication of the RATER model or SERVQUAL model to evaluate the present service quality at HCMCTC aim to find out good approaches to increase the level of customer satisfaction. After that, based on this evaluation the company designed a service quality strategy to meet customer requirements at the highest level both present and in the future. This study's object is target groups with monthly bill paid for the company is over or equal one million Vietnam Dong per month (1.000.000 VND). Here are three basic reasons for this selection (1): This is a customer groups that contributed about 80 percent company's revenue, (2) Its competitors also concentrate on all existing resource powers to attracted this target groups, (3) This target group comprise of domestic and foreign companies so their evaluation give a good result than an individual.

1.2. Research methodology

This study has chosen to use a quantitative research method. The main reason for choosing a quantitative method for this study because we need specific data from customers. Therefore, a

structured questionnaire was the close end questions. The survey questionnaires outlines the information that we want to collect from customers' base on five dimensions (Reliability, Responsiveness, Assurance, Empathy, and Tangible) of the RATER model. The questionnaires use to collect the data from customer respondents and were modified and reduced to suit with the telecom industry context in Vietnam and used in both Vietnamese and English languages. We use a rating scale (1 to 5) with the very disagree (equivalent 1) to very agree (equivalent 5) for any questionnaires. This rating scale is called Likert scale. Furthermore, in order to assure the confidential information for customers we also were informed that their responses would be gather with other people, without customer names, phone number etc.. The implemental method the staffs' delivery directly the sample survey to customers at the fifty customer transact points in HCMC. The statistic data as mean is interpreted of the Likert scale (Koobgrabe et al, 2008).

Table 1.4a: An interpretation of the Likert Scale (Koobgrabe et al, 2008)

Mean Likert scale score (range)	Interpretation of respondents opinion
4,21-5,00	Very agree
3.41-4.20	Agree
2.61-3.40	Neutral
1.81-2.60	Disagree
1.00-1.80	Very disagree

Both secondary and primary data will be used in this study. The primary data collection methods will be use of structured questionnaire. Secondary data will include search from websites, in the internet, and local and international magazines etc... The survey conducts within 3 days. Total 150 samples were delivered directly to customers but only 124 samples were collected corresponding due to the result of the survey reached 82,6 percentages. Nevertheless, among the returning data, only 118 samples provide enough information for analysis so we analysis base on these valid samples. The data will be analyzed and processed by SPSS software (IBM_ SPSS statistics 20). The results of the survey were presented as tables (3.1, 3.2 & 3.3)

2. Literature review

Although the service quality play an important role in each organization but the concept of it has begun research from1980's of the previous century and developing incessantly up to now. The first study on service quality was presented by Grönroos (1984), he defined quality of service by two dimensions that are technical and functional quality. As he emphasizes the first dimension is the technical quality which refers to the outcome (in what way customer receive). The second dimension is the functional quality which refers to the manner (how customer receives the service). Both

dimensions impact on the company's image and the perception of quality in various ways. This model base on the comparison between the customer expectation and their perception and via this comparison the consumer used for evaluating whether quality is perceived as good, neutral, or bad. Grönroos model considered as the first attempt to study in the service quality field but it general and without offering any technique on measuring technical and functional quality due to this is a shortcoming of this model. In order to continue improving this model Rust, R. T., & Oliver, R. L. (1994) try to refine by three components consist of: Service product (etc. technical quality), service delivery (etc. functional quality), and service environment and also like the Grönroos model it also not give the way to test the service quality.

In the period 1980s of the previous century, Parasuraman was proposed one model that can help we deepen understanding and relative comprehensive about service quality that is the GAP model or the SERVQUAL model (Parasuraman A, Zeithmal V.A and Berry L.L, 1985). At the beginning this model consists of ten elements of service quality. By the early 1990s of the 20th century, the authors had refined the model in to five elements that enable called the RATER model: Reliability, Responsiveness, Assurance, Empathy and Intangible. This model helps repairs the shortcomings of these previous models by give new technique for measure service quality. With provide technique for measure service quality made this model is the great progress compare with these previous models. This model consist of five components that customers are used to consider in their assessments of your company's service quality was illustrated in figure 1. As described in the model, a firm's primary goal should be to meet or exceed customer expectations, and strategies used to achieve that objective are all focused on the customer. The final objective of any company is minimum the difference between customer expectations and perception.
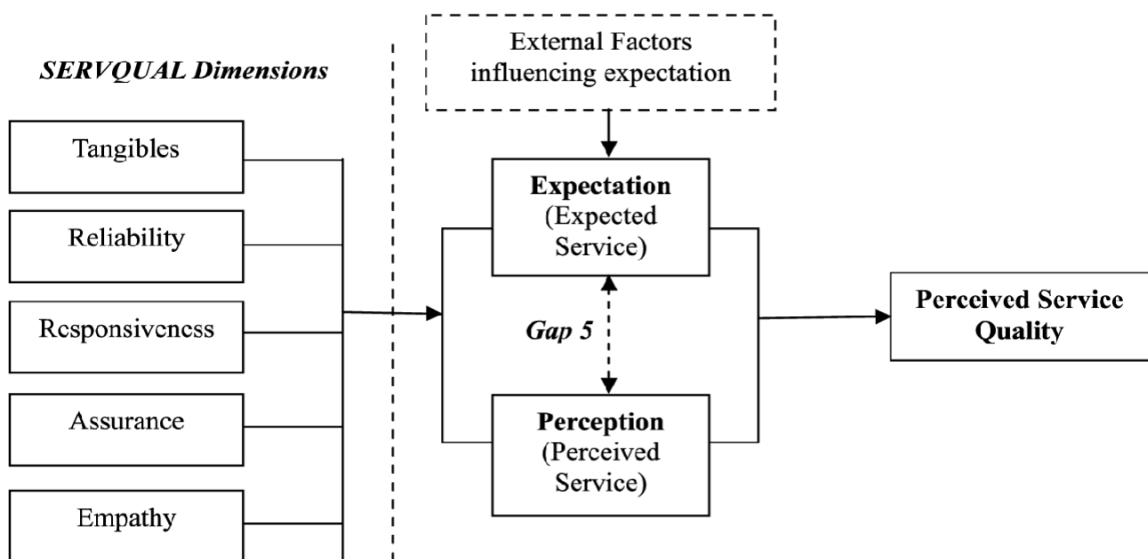
**Figure 1 Measuring service quality using RATER model
(Parasuraman, Zeithaml and Berry (1985).**

Reliability: Ability to perform the promised service dependably and accurately.

Responsiveness: Willingness to help customers and provide prompt service.

Assurance: Knowledge and courtesy of employees and their ability to convey trust and confidence.

Empathy: Caring, individualized attention the firm provides its customers. Stipulates the caring, individualized attention given to customers.

Tangibles: Physical facilities, equipment, and appearance of personnel.

3. Results and discussion

3.1. Respondent of customer expectation:

Table 3.1 indicate that the expectation scores relatively high across dimensions, although that some questions in these dimensions were noticeably lower. More detailed analysis on customer expectation scores will be provided in the following table.

Table 3.1: Descriptive Statistics of Expectation

Question No	N	Minimum	Maximum	Mean	Std
Reliability					
When you have a problem with any telecom services, the company sent technical staffs in time as has promised	118	2	5	3.85	.622
The company provides quality of services as has committed	118	2	5	3.95	.504
The company performs service right at the first time	118	2	5	3.83	.574
Responsiveness:					
Employees of the company always give your prompt service	118	2	5	3.79	.665
Employees of the company are always willing to help you if you have problem with services	118	2	5	4.02	.613
Employees of the company respond to your requirements as soon as possible	118	2	5	3.70	.645
Assurance					
Employees of the company are enough knowledge to answer your any questions about telecom services	118	2	5	4.14	.678

Question No	N	Minimum	Maximum	Mean	Std
The guide of employees makes you more and more confident	118	3	5	4.15	.579
Employees of the company are consistently courteous to you	118	3	5	4.03	.660
Empathy:					
Employees of the company always listen carefully to your needs	118	2	5	3.93	.759
The company always care about the your service requirements	118	3	5	4.02	.627
The company always concern about your special days	118	3	5	4.18	.675
Tangibles					
Looking office equipment at company's offices is modern	118	3	5	4.14	.612
The company give to you many advantageous interact channels	118	3	5	4.17	.495
Office employees and technical staffs are neat in their appearance and professional	118	3	5	4.10	.513

3.2. Respondent of customer Perception:

On the contrary, table 3.2 shows that the perception scores relatively low across dimensions, although that the Tangibles dimensions were relative high score. The lowest scores fell into Empathy and Responsiveness dimension. More detailed analysis on customer perception scores will be provided in the following table.

Table 3.2: Descriptive Statistics of Perception

Question No	N	Minimum	Maximum	Mean	Std
Reliability					
When you have a problem with any telecom services, the company sent technical staffs in time as has promised	118	1	5	2.94	.936
The company provides quality of services as has committed	118	1	5	3.60	.839

Question No	N	Minimum	Maximum	Mean	Std
The company performs service right at the first time	118	1	5	3.54	.802
Responsiveness:					
Employees of the company always give your prompt service	118	1	5	2.72	.678
Employees of the company are always willing to help you if you have problem with services	118	1	5	2.51	.701
Employees of the company respond to your requirements as soon as possible	118	1	5	2.86	.830
Assurance					
Employees of the company are enough knowledge to answer your any questions about telecom services	118	2	5	3.74	.733
The guide of employees makes you more and more confident	118	1	5	3.65	.755
Employees of the company are consistently courteous to you	118	1	5	2.86	.836
Empathy:					
Employees of the company always listen carefully to your needs	118	1	5	2.68	.783
The company always care about the your service requirements	118	1	5	2.59	.695
The company always concern about your special days	118	1	5	2.61	.717
Tangibles					
Looking office equipment at company's offices is modern	118	1	5	3.64	.688
The company give to you many advantageous interact channels	118	1	5	3.90	.739
Office employees and technical staffs are neat in their appearance and professional	118	1	5	3.69	.813

3.3. The Gap between customer expectation and Perception:

The Gap score for each question is calculated as Expectation – Perception. As we see table 3.3, the mean values that customer perception from the company less than customer expectations that mean the current company's service quality do not fix customer requirements. The different levels or the Gap of these mean values are relative high in some dimensions especially for Responsiveness dimension and Empathy. In order to deep understanding the current quality service in HCMCTC we need to consider in each question, the Gap score for each dimension(Di), and finally the average Gap score of service quality .

Table 3.3: The Gap between the customer Expectations (E) and Perceptions (P)

Question No	E	P	E-P	Di	Av
Reliability					
When you have a problem with any telecom services, the company sent technical staffs in time as has promised	3.85	2.94	0.91		
The company provides quality of services as has committed	3.95	3.60	0.35	0.52	
The company performs service right at the first time	3.83	3.54	0.29		
Responsiveness:					
Employees of the company always give your prompt service	3.79	2.72	1.07		
Employees of the company are always willing to help you if you have problem with services	4.02	2.51	1.51	1.14	0.83
Employees of the company respond to your requirements as soon as possible	3.70	2.86	0.84		
Assurance					
Employees of the company are enough knowledge to answer your any questions about telecom services	4.14	3.74	0.40		
The guide of employees makes you more and more confident	4.15	3.65	0.50	0.69	
Employees of the company are consistently courteous to you	4.03	2.86	1.17		
Empathy:					

Question No	E	P	E-P	Di	Av
Employees of the company always listen carefully to your needs	3.93	2.68	1.25		
The company always care about the your service requirements	4.02	2.59	1.43	1.42	
The company always concern about your special days	4.18	2.61	1.57		
Tangibles					
Looking office equipment at company's offices is modern	4.14	3.64	0.50		
The company give to you many advantageous interact channels	4.17	3.90	0.27	0.39	
Office employees and technical staffs are neat in their appearance and professional	4.10	3.69	0.41		

4. Reliability dimension

As we seen from the table 3.3 with percept mean values of customers of questions in this Reliability dimension in succession: 2.94, 3.60, 3.54. And The Gap score for this dimension is 0.52 this mean that is existing small relative level between customer perception and expectation (except for question 1). Compare with the Likert Scale the mean value of the question2 and question3 make customer satisfaction, question1 is quite low only reach at neutral. The percept mean value for the question1 can explain as below: The company' structure with many layers and the responsible and authority for each individual is not clearly. So when customer meet a problem while access the internet he or she needs team support immediately to fix it but sometime the customer team supports cannot active quickly. Because of they could not be fined or reduced their salary if they active slowly. It is clear that many departments and employees are effected by bureaucracy way in the previous time. Relate to the question2 and question3 the Gap between customer expectation and perception is noticeable high that mean customer quite satisfaction with the current service quality's company. The different level is not big so company easy to reach this requirement. The reason to achieve this perception is valuable experiences that the company's employees gained from operated in telecom industry in many years and the company owned a modern system network along with optical cable network covered widespread the Ho Chi Minh City.

4.1. Responsiveness dimension:

Look at the table 3.3 with percept mean values of customers of this dimension in succession 2,72, 2,51, and 2,86 if we compare with the Liker scale we can see that customers do not happy with current service quality of this dimension. Whilst expected mean values are 3.09, 4.02, and 3.70 that mean the Gap between mean value's customer perceptions and

expectations relative high (1.07, 1.51, and 0.85), And The Gap score for this dimension is 1.14 this mean that is existing high relative level between customer perception and expectation. Many reasons in both inside factors and outside lead to this issues as: (1) The service quality of this dimension of its competitors are at the higher level. These companies inherited the service quality from its brother company(CMC Group and FPT group) so they fix the customer requirement quickly. In addition, the target customer group of this study include local companies and foreign companies so they use services from many providers, therefore easily for compare the service quality among HCMCTC and its competitors.(2) Almost HCMCTC's employees are quite older, they are good at professional but not soft skills especially is the English skill. Company's employees and staffs give customer prompt but at reasonable level they only explained to completed their task, did not explained carefully and fluently the problem that customers desire. The company offer many programs to improve soft skills and the English skill but the level of reasonable achievement.

4.2. Assurance dimension:

From the table 3.2.3, the mean values of this dimension are relative high in both perception (3,74, 3,63, 2,86) and expectation (4,14, 4,15, 4,03). The Gap between mean value's customer perceptions and expectations in succession 0.40, 0.50, and 1.16. And The Gap score for this dimension is 0,69 this mean that is existing low relative level between customer perception and expectation Based on these values we can affirm that

customer quite satisfy with the current employee's ability (except the question 3). We can explain this problem as below: The company with many years operated in telecom industry so the technical staffs have accumulated many experiences so they can do their tasks very well at the first step. In addition, the company owns the Post and Telecom Training Center (PTTC), this is the school that only training in post and telecom field. HCMCTC's technical staffs have to attended courses annually at PTTC to improve their skills. On the contrary, its competitors due to has just entry into the market so their technical staffs need long time to reach the level as HCMCT's staffs in this field. However, in the question3 of this dimension with the percept mean value is 2.86. Compare with the liker scale we see that the current service quality of question only reach at average level (neutral). The expectation mean value is 4.03 this mean is existing a large relative Gap between customer expectation and service quality that the company delivery to customer(1.16). This gap indicates that company' employees lack of honesty, respect when they interact with customers.

4.3. Empathy dimension:

From the table 3.2.3, the mean values that customer perceptions from the company in succession (2,68, 2,59, 2,61) compare with liker scale we affirmed that customers evaluated this dimension not high level. Whereas the mean values that customer expectation are (3,93, 4,02, 4,18) mean that the Gap between customer perception and expectations are very high. (1.25, 1.43, 1.57). And the Gap score for this dimension is 1.42. These values

indicated that the company has been not pay attended the customer needs, lack of care about the customer service requirements. The period of time before 2000 only the company provided the fix phone services so customers need company' services because they could not found out other providers. The habit remains continue impact on employee behaviors until now although the level is lower than in the recent time. Other providers although entry the market lastly but they aware of the importance of concern about customer needs, for example: on especial days as birthday, anniversary, day's service register etc.. These companies always send the message to customer. These messages make customer feel that the company care about them.

4.4. Tangible dimension:

From the table 3.2.3, basically, all mean values in this dimension in both perception (3,64, 3,90, 3,69) and expectation (4,14, 4,17. and 4,10) are quite high. And The Gap score for this dimension is 0,39. If we compare with the Liker scale we see that customer evaluated the company's office facilities are modern, employees neat in their appearance and professional, and HCMCTC offers many advantageous interact channels. The services quality in this dimension shows that customers feeling comfortable, feeling good treat when they come and HCMCTC's office. It is not difficult to explain for this issue. The company operate in the telecom industry many years so workers, employees and leaders aware of the importance of wear uniform at their work place. In HCMCTC every employees or staffs compulsory wear uniform at work.

Whereas competitors many jobs outsourcing to other partners so customers difficult to identify the professional in wearing uniform because of each partner has a different uniform. In addition, HCMCTC owned many nice offices in the central of the HCMCT. The advantages and together with offer interact channel online help customers communicating easily when they need communicate with company.

5. Conclusions and Recommendations
5.1. Conclusions

From the results of the above analysis we see that the company exists the Gap relative high especially, dimensions or questions that relate to soft skills. The company has realized that the market leading in the fix phone market meet challenges in the recent years due to the current service quality cannot customer requirements. Evidencing is many customers before always only uses HCMCTC' services but today move to other telecom providers especially with the high class services. Therefore, to remain the leading position in the fix phone market as the previous years is a big challenge for HCMCTC while the company inherited weaknesses of state owned company as human resource, organization structure with many hierarchies, mechanisms are not flexible. The company's strengths as branch name, good infrastructure network has shown that these factors could not guaranteed for company again competitive advantages over competitors in the dynamic environment and intense competition. For the reasons, improve service quality to reduce the Gap between customer

perception and expectation is an imperative doing. The flowing solutions will be helped the company attain this objective.

5.2. Recommendations
Processes

The processes to resolve complains and register services at HCMCTC make customers take long time and burdensome so the company should be simplify these processes for customers. Firstly, the company needs to offer standards for solve these problems. These standards include minimum requirements that a staff needs finish a task as time, professional, soft skills .Secondly, the company structure is so high hierarchy so its needs to reduce organizational structure to increase the making decision processes in the company. The finally, the complexity mechanisms in the company also barriers that make customer feel unhappy about present service quality. Therefore, the company needs to revise the mechanism to increases customer satisfaction.

Human resource.

Key reason make many customers unhappy about present services quality come from who communicate or interact with customers every day. They lack of communication skill, solving skill, emotional skill etc.. so many customers feel unsatisfied when they communicate with employees. For this reason, reorganize the human resource will help the company improve the business performance and indirect increase services quality. In order to, the company must move employees cannot meet requirement to other departments and recruiting who are suit with that job. Moving employees from one department to other department also putting the company into difficult situation because of in previous years they were recruited by relationships not beyond demanding of the job.

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