

Telecom Industry with Customer Loyalty of Mongolia

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Customer satisfaction (CS) has often been considered an important determinant of loyalty. CS is a general attitude based on experience after customers buy a product or use a service [1]. Satisfaction is the evaluation of the experience of interacting with a service provider so far and is used by clients to predict future experiences [2]. Satisfaction is a broad feeling that is affected by the quality of the service and the product, its price, and other contextual and personal factors [3].

CL is one of the most important aspects of marketing planning since customer retention is more important which customer absorption [4]. It is a long-term commitment of existing customers to repurchase products and services [5]. CL is called a sustainable source for income generation, while, on the other hand, loyal customers are considered the best people for the commercialization of products and services [6].

Research conducted on the telecom industry (TI) showed that the SQ affects CS [7-9]. Therefore, the quality of the service is a precedent in determining the CS ratio. Therefore, we can propose the following:

H1: SQ has a significant positive impact on CS.

It is possible that we are not wrong to make a conjecture about the perception of the clients of a reasonable price, stipulating which in fact it improves the impact of the quality

ABSTRACT

This report examines the main influences on customer loyalty (CL) in a study framework where CL is the dependent variable and customer satisfaction (CS), perceived price, quality of service (SQ) and trust are independent variables. The study also tests the hypotheses in which there is a moderate relationship between SQ and CS. The research uses several statistical techniques, such as reliability, factor which and regression analysis. The epistemology of the study was qualitative and involved 170 Mongolian citizens through a survey conducted by a questionnaire and a factorial analysis was applied to confirm the results. The increase in the customer's belief of the reasonableness of the price also tends to increase the impact of the SQ on CS.

Keywords: Customer loyalty, customer satisfaction, service quality, telecom industry

1. INTRODUCTION

The ability to attract the right target market, making them buy/consume the product regularly and in copious quantities and advocating for the product which allows more customers to move from the substitute product to their product is called Customer loyalty (CL). It is often described as the ability to generate repeat orders from customers and ensure good ratings and reviews. However, the term is not limited to this, since it is a continuous focus, or a program managed by the company aimed at keeping its customers happy.

of the service on the CS of the client, acting as a moderating variable. Thus, hypothesis 2 can be proposed as follows:

H2: The perceived price has a significant influence on the relationship between the SQ and CS.

Satisfaction is the evaluation of the experience of interacting with a service provider up to the present moment, and clients use it to predict future experience [2]. "Satisfaction positively affects CL" [10]. Although CS may not be the only reason for people to remain loyal to a specific brand [11], it is safe to say which satisfied customers are more CL. So we can propose H3 as:

H3: CS has a significant positive impact on CL.

The client's belief in trust in terms of service is the delivery of quality services that meet the client's expectations [12]. According to [13], the reputation of companies is the stability of their activities over time. Trust is of the utmost importance in the evaluation of the quality of products and services from the point of view of the clients, since the reputation originates in the quality of its products and services [14]. During all the processes, such as the change of service, the subscription to the service and the customer service, the client's trust is maintained as a whole, so we can propose H4 as:

H4: SQ has a significant positive influence on trust.

According to [15], trust has been abstracted as a precedent of satisfaction. Between the buyer-seller transaction, trust acts as a catalyst and in terms of satisfactory exchange, trust in relationships provides buyers with greater expectations [16]. To greater CS greater confidence. So we can propose H5 as:

H5: CS has a significant positive influence on trust.

Clients are more loyal to a company that relies on an organization [17]. Consumer confidence in a product is more likely to develop an encouraging attitude towards it, to pay a higher price for it, to stay true to it and to spread word of mouth [18] to propose H6 as:

H6: Trust has a significant positive influence on CL.

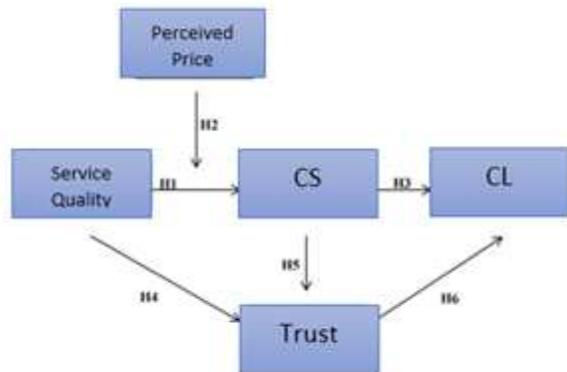


Figure 1: Hypothetical model for current study

2. Methodology

The operational definition and the measures of the variables for approval are represented. A preliminary survey was organized with researchers and marketing specialists of the mobile TI and the variables were resolved using the results of these surveys. This survey used the 5-point Likert scale to classify the selected variables.

2.1. Sample analysis

In this survey, the sample was selected among the current users of mobile TI in Mongolian. An initial survey was administered to review and complement the survey questions. A total of 170 questionnaires were distributed. After excluding those with omissions or randomly repeated responses, there were a total of 140 valid survey responses among the completed survey forms, excluding those with omissions or randomly repeated responses. SPSS 12.0 was used for basic statistical analysis, factor analysis and reliability analysis. The population for the current study is internet users in Mongolia.

2.2. Instrument and measures

The survey instrument explains two main purposes of this research: the first purpose is to examine the link of different variables towards CL. The second is to gather information about the different attributes of the respondents that can be used to understand the variations in different groups.

2.3. Process

The questionnaire was distributed among 170 respondents who were selected on the basis of the criteria mentioned above. The purpose of the research and the questions were explained to the respondents before submitting the

questionnaires to make it easier for them to complete the questionnaire with the relevant answers. A total of 140 questionnaires were selected, others were discarded due to incomplete or irrelevant answers. After compiling the answers, these questionnaires were coded and entered into the SPSS sheet for later analysis.

2.4. Reliability analysis

In general, Cronbach's alpha values of all the study variables were above the acceptable and recommended value of 0.50 by [19] and 0.60 by [20]. This shows that all of the 21 elements selected were reliable and valid to measure the opinions of consumers towards CL.

3. Results

3.1. Profile of the respondents

The following table contains demographic information of the respondents, such as gender, age, income, status and TL.

Table 1: Profile of respondents

Variable	category	Frequency with (%)
Gender	Male	48 (37%)
	Female	92 (63%)
Age	Below 20	59 (42.1%)
	20-30	77 (53%)
	30-40	4 (3.9%)
	Above 40	1 (0.8%)

3.2. Hypothesis testing

SQ, CS and CL: According to the results of the report, the quality of the service has a significant positive relationship with the satisfaction of the client with ($\beta = .643$) and ($p = 0.000$). That means that the SQ contributes more than 64% to CS. The results of the regression of CS with CL are also significant with ($\beta = 0.457$) and ($p = 0.000$). The results of the present study validate H1 and H3.

SQ and CS: The results also show a significant positive relationship between CS and confidence with ($\beta = 0.401$) and ($p = 0.00$). It means that CS contributes more than 40% to trust. This validates H4 and H5.

CL: The regression analysis of the study shows that there is a significant positive relationship between trust and CL with ($\beta = 0.379$) and ($p = 0.00$). According to this result, trust contributes more than 37% to CL. The results of the study support H6.

4. Conclusion

This study could be used as a guide for TI in Mongolian to maintain its focus on the variables that affect CL. The most valuable relationship explained is CS with CL. The satisfied customer serves as the best advertisement; This report not only analyzes the variables that influence CL, but also the impact of the quality of the service and confidence in CS. This report has important implications for practice. With the advent of increasing competition for greater market share within Mongolian's TI, unique core competencies and inimitable competitive advantages are imperative for success in this highly dynamic sector. One of the best and deep ways to achieve this is through a convincing marketing and customer retention strategy.

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