

YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF MANAGERIAL STUDIES
MBA PROGRAMME

**CUSTOMER PERCEIVED VALUE AND CUSTOMER
LOYALTY TOWARDS MPT MOBILE SERVICE**

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MBA (Online) 161112

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ACADEMIC YEAR (2016 - 2019)

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“This Thesis submitted to the Board of Examiners in partial fulfillment of the requirements for the degree of Master of Business Administration (MBA)”

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ACCEPTANCE

This is to certify that the thesis entitled “**Customer Perceived Value and Customer Loyalty Towards MPT Mobile Service**” has been accepted by the Examination Board for awarding Master of Business Administration (MBA) degree.

Board of Examiners

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December, 2019

ABSTRACT

This study analyzes how customer perceived value can affect customer satisfaction which in turn leads to customer loyalty. In this study, both descriptive analysis and inferential analysis are applied and data are collected from sample 400 MPT (Myanmar Post and Telecommunications) mobile service users in Yangon. Among customer perceived values, perceived switching cost has the greatest contribution towards customer satisfaction, and corporate image also has the second most positive impact on customer satisfaction of MPT mobile service users. This study also found that outcome quality is also significant with MPT mobile service customer satisfaction. The results also indicate that customer satisfaction affects determining customer loyalty. Based on the findings, the study recommends that MPT should emphasize improving their voice and data service quality in order to maintain the role as the leading mobile telecom service provider in Myanmar.

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CONTENTS

ABSTRACT	i
ACKNOWLEDGEMENTS	ii
CONTENTS	iii
LIST OF TABLES	v
LIST OF FIGURES	vi
LIST OF ABBREVIATIONS	vii
CHAPTER 1 INTRODUCTION	1
1.1 Rationale of the Study	1
1.2 Objectives of the Study	2
1.3 Scope and Method of the Study	2
1.4 Organization of the Study	3
CHAPTER 2 THEORETICAL BACKGROUND	4
2.1 Customer Perceived Value	4
2.2 Customer Satisfaction	7
2.3 Customer Loyalty	8
2.4 Previous Studies	9
2.5 Conceptual Framework of the Study	16
CHAPTER 3 PROFILE AND PRACTICES OF MPT MOBILE SERVICE	18
3.1 Overview of Mobile Service Industry	18
3.2 Background History of MPT	20
3.3 Profile of MPT KSGM Joint Operations	22
3.4 Activities and Practices of MPT for Customer Value	23

3.5	Research Design	29
3.6	Demographic Characteristics of Respondents	31
3.7	Customer Perceived Value of MPT Mobile Service	33
CHAPTER 4	ANALYSIS OF CUSTOMER PERCEIVED VALUE AND	40
	CUSTOMER LOYALTY TOWARDS MPT MOBILE	
	SERVICE	
4.1	Customer Satisfaction towards MPT Mobile Service	40
4.2	Customer Loyalty towards MPT Mobile Service	41
4.3	Analysis on Effect of Customer Perceived Value on	42
	Customer Satisfaction	
4.4	Analysis on Effect of Customer Satisfaction on	44
	Customer Loyalty	
CHAPTER 5	CONCLUSION	46
5.1	Findings and Discussions	46
5.2	Suggestions and Recommendations	49
5.3	Needs for Further Research	50
	REFERENCES	
	APPENDICES	

LIST OF TABLES

Table No.	Particulars	Page No.
Table 3.1	Reliability Test	31
Table 3.2	Demographic Characteristics of Respondents	32
Table 3.3	Outcome Quality	35
Table 3.4	Corporate Image	37
Table 3.5	Perceived Switching Cost	38
Table 3.6	Customer Perception on Overall Customer Perceived Value	38
Table 4.1	Customer Satisfaction	40
Table 4.2	Customer Loyalty	41
Table 4.3	The Effect of Customer Perceived Values on Customer Satisfaction	42
Table 4.4	The Effect of Customer Satisfaction on Customer Loyalty	44

LIST OF FIGURES

Figure No.	Particulars	Page No.
Figure 2.1	Conceptual Model of Nasir & Mushtaq	10
Figure 2.2	Conceptual Model of S.Kannan	11
Figure 2.3	Conceptual Model of Rizomyliotis, Knostantoulaki, Kaminakis, Giovanis & Papastathopoulos	12
Figure 2.4	Conceptual Model of Kaur & Soch	13
Figure 2.5	Conceptual Model of Quaaye	14
Figure 2.6	Conceptual Model of Hyung Seok Lee	15
Figure 2.7	Conceptual Framework of the Study	17
Figure 3.1	Organization Chart of MP KSGM Joint Operations	22

LIST OF ABBREVIATIONS

MPT	Myanma Posts and Telecommunications
KSGM	KDDI Summit Global Myanmar Ltd.
JO	Joint Operations
CTO	Chief Technical Office
CCO	Chief Commercial Office
COO	Chief Commercial Office
CFO	Chief Financial Office
B2B	Business to Business
VAS	Value Added Service
3GPP	3rd Generation Partnership Project
ITU	International Telecommunication Union
GSMA	Global System Mobile Association
IEEE	Institute of Electrical and Electronics Engineers
GSM	Global System Mobile
WCDMA	Wideband Code Division Multiple Access
LTE	Long Term Evolution
BSC	Base Station Controller
BTS	Base Transceiver Stations
RNC	Radio Network Controller
PR	Public Relation
CSR	Corporate Social Responsibility
PTD	Posts and Telecommunications Department
SPSS	Statistical Package for Social Sciences

CHAPTER 1

INTRODUCTION

The reform of Myanmar telecommunications sector began in 2012. Myanmar Telecommunication industry has been booming since 2014 after telecom sector reformed. Myanmar mobile telecom industry becomes intense competitions after Ooredoo, Telenor and Mytel entered Myanmar Telecom market in August 2014, September 2014 and in March 2018.

In highly competitive markets, the telecom operators are looking for various marketing strategies in order to improve the customer loyalty. The telecom market is at maturity and all the operators' different services and call rate are not much significantly different. Creating an appropriate characteristic for Myanmar Posts and Telecommunications (MPT) mobile service will be a great distinction between products and service because customers in buying reduce safety and social, and financial risks of customers in buying the product/ service.

Customer Perceived Value is an antecedent of Customer Satisfaction. Customer perceived value is defined as the general evaluation of the customer of the utility of a product based on perceptions of what is got and what is given. Customer satisfaction is the abilities to meet customer's expectations.

Customer Loyalty is characterized by repurchase intention, a resistance to switching to a competitor's product/service that is superior to the preferred vendor's product/ service, and a willingness to recommend a preferred vendor's product/service to friends and associates. The loyal customers do not need promotional attempts and are important for MPT to get the long-term profits. Therefore, current research attempts to explore the customer perceived value and customer loyalty towards MPT mobile service in Yangon, Myanmar.

1.1 Rationale of the Study

Mobile telecom market is the fastest growing service sector in Myanmar. It has evolved from a monopoly environment to a competitive market managed by four main telecommunications companies - MPT, Telenor, Ooredoo and MyTel. Intense competition

occurs among the companies over four years. As the market becomes highly competitive, MPT is trying to retain the existing customers and even to attract the new customers. With the growing competition in the market, customer loyalty has become a decisive factor in long-term business profits. Customer loyalty indicates the high entry barriers for the competitor to enter the market, and it significantly contributes to reduction in marketing costs.

Therefore, MPT needs to look for various marketing strategies to improve the customer loyalty by providing the better services. The study can support MPT for planning appropriate marketing strategies concerning with the major influence factors in customer loyalty and devoting more financial resources to these factors. The study can contribute well for helping MPT mobile service to think about its customers and strategically planning of marketing activities in order to grow market share and the customer loyalty.

1.2 Objectives of the Study

The main objective of the study is to examine customer perceived value influences on customer satisfaction that enhances loyalty towards MPT mobile service in Yangon. Therefore, this study aims:

- To explore the customer perceived value towards MPT mobile service;
- To analyze the effect of customer perceived value on customer satisfaction towards MPT mobile service;
- To analyze the effect of customer satisfaction on customer loyalty towards MPT mobile service.

1.3 Scope and Method of the Study

The scope of this study is mainly focused on customer perceived value and customer loyalty towards MPT mobile service in Yangon. The undertakings of this study are to determine customer perceived values influencing customer satisfaction and to examine if there is a relationship closely towards customer loyalty in Yangon. The data of the study are obtained from two sources; primary and secondary. Primary data are collected from MPT mobile phone users in Yangon. The structured questionnaire with five-point Likert scale is implemented to this study. Secondary data are collected from the official websites

of MOTC, MPT, previous research, published papers, text books and related documents and related websites.

In this study, a descriptive methodology is used to investigate customer perceived values and customer loyalty towards MPT mobile service. Multiple regressions are also used to examine the postulated assumptions. In this study, sample size of the survey is calculated by Slovin's formula and 400 users are surveyed.

1.4 Organization of the Study

This paper is divided into five chapters. Chapter one consists of rationale of the study, objectives of the study, scope and method of the study and organization of the study. Chapter two is theoretical background of customer perceived value, customer satisfaction and customer loyalty. Moreover, this chapter includes about the previous studies and then conceptual framework of the study.

Chapter three explains the overview of mobile service industry, background history of MPT including its profile, organization structure, activities and practices for customer value. The chapter four explores the effect of customer perceived value on customer satisfaction and examines the influence of customer satisfaction on loyalty towards MPT mobile service. Finally, the chapter five is conclusion which consists of findings and discussions, suggestions and recommendations and needs for further research.

CHAPTER 2

THEORETICAL BACKGROUND

In this chapter, theoretical background about customer loyalty, customer satisfaction, customer perceived value such as outcome quality, corporate image and perceived switching cost are described. Moreover, previous studies regarding customer perceived value influencing on customer loyalty are presented. In addition, based on the previous studies, the conceptual framework of this study is proposed.

2.1 Customer Perceived Value

According to Zeithaml (1988), the perceived value could be defined as the general consumer evaluation of the benefits of a product or service, depending on the perception of what is received and what is given. Other authors recognized that the value perceived by the service, as a result of whether these sacrifices were monetary or non-monetary, was a compromise between gross profit and gross sacrifice (Al-Debei, Al-Lozi & Papazafeiropoulo, 2013). In the mobile communication sector, the value of perceived services could be defined as an evaluation of the use of the service by clients based on the previous sacrifices and the perceived performance when using mobile services (Kuo, Wu & Deng, 2009). In this way, customers receive mobile communication services by integrating their knowledge of what they receive and what they have given up. Though service quality is an important factor in the value of the service, previous studies have shown that price and value for money are other key factors, meaning what the cost consumers pay to buy a particular service (Jen, W., Tu, R., & Lu, T, 2011). According to the consumer's opinion about money, the value of a service occurs when the cost is low (Kuo, Wu & Deng, 2009)

The perceived value is the combination of the benefit received and the one sacrificed. The benefits for the client are related to monetary or non-monetary, such as time, risk and monetary prices, as well as the perceived quality of the service and numerous psychological benefits and parts of convenience.

According to (Edward, George & Sarkar, 2010), consumers make purchasing decisions based on the benefits and costs involved. The concept of service value is generally

based on the concept of quality and benefits that consumers obtain from a unit of money. The compromise between what the consumer gets and what it offers.

Bhattacharya & Singh (2008) argued that the definitions of value perceived by customers are different, but these definitions have something in common. The value perceived by the customer is always associated with the use of assured product or service (Bhattacharya & Singh, 2008; Woodruff, 1997).

The amount of value perceived by the customer is determined by the customer's perception, not by the supplier's assumptions or intentions (Bhattacharya and Singh, 2008; Anderson & Narus, 1998). The amount of value that a customer perceives generally implies a compromise between what the customer receives, such as quality and usefulness, and the cost it incurs, such as money, effort and time (Wang et al., 2004).

2.1.1 Outcome Quality

The outcome quality or technical quality is what the customer receives after the service delivery process and the buyer-seller interaction is completed (Gronroos, 1984). Brady suggested that there was an agreement that the perception of the quality of customer results had a significant impact on the overall perception of the quality of customer service. For example, Lim et al. (2006) found that the quality of the results, as if a mobile service provider provides accurate and understandable billing, has a significant impact on the overall perception of the quality of a customer's mobile service in the United States. Furthermore, Wang et al. (2004) found findings such as whether a mobile service provider provides services at a time when they are expected to significantly affect the overall perception of the quality in Chinese Mobile communications market.

2.1.2 Corporate Image

Barich & Kotler (1991) defined corporate image as the sum of beliefs, attitudes, and impressions towards an organization. Gronroos (1984) argued that corporate image is mainly determined by customers' assessment of the services they receive. Nguyen and Leblanc (1998, 2001) maintained that corporate image results from customers' overall consumption experiences. The authors identified the physical and behavioral attributes of the organization that are related to corporate image, such as organization name, architecture,

and variety of products/services. Nguyen & Leblanc (1998) also described corporate image as a cumulative construct that is updated each time the customer consumes the service.

Kennedy (1977) identified two principal components of corporate image: functional and emotional. Functional components are associated with easily visible type characteristics and can be measured easily; emotional factors are associated with psychological states manifested by emotions and attitudes.

Gronroos (1984) claimed that corporate image is very important to service organizations, as corporate image serves as a filtering mechanism that has an influence on customers' perceptions and customer satisfaction. Andressen & Lindastad (1998) maintained that corporate image is of vital importance to service organizations, because corporate image becomes an important factor that affects customers' purchase decisions when customers have insufficient information about the service attributes.

2.1.3 Perceived Switching Costs

Porter (1980) defined the switching cost as one-time cost incurred when a customer changes from one service provider to another. Murray (1991) described the cost of switching to potential losses that customers perceive when changing service providers, such as the loss of financial, performance-related, social, psychological and security-related characteristics. Caruana (2004) pointed out that the switching costs can be monetary or non-monetary and can be real or recognized.

Burnham, Frels and Mahajan (2003) identified three types of switching costs.

1. Procedural switching costs associated with the loss of time and effort.
2. Financial switching costs associated with the loss of resources that can be quantified financially.
3. Relational costs associated with psychological or emotional due to loss of identity and breaking of bonds.

Lee et al. (2001, pg.41) suggested that the switching costs perceived by customers in the mobile market include the following costs: -Time and effort to find information on prices, benefits and service levels of other service providers, completing forms and phones change to other providers, informing friends, family and relatives and business associates of new phone numbers. The authors also argued that switching costs were important only

if there were several viable alternative service providers in the market. In the monopoly market, switching costs are not considered because customers cannot change service providers (Lee et al., 2001).

Switching costs are explained as a factor that prevents customers from freely switching to other service providers (Ahn, Han & Lee, 2006), and are important factors in determining a company's ability to retain customers and gain a competitive advantage (Hess & Ricart, 2003).

2.2 Customer Satisfaction

Customer satisfaction is an emotional response to the general attitude towards service providers (Levesque & McDougall, 1996) or the difference between what customers expect and receive (Zineldin, 2000). Anderson & Srinivasan (2003) defined customer satisfaction as customer satisfaction with previous shopping experiences at a convinced service. It is judged that a product or service function or the product or service itself provides a pleasant level of performance related to consumption.

Oliver (1997) defined satisfaction / dissatisfaction with life as "consumer satisfaction response, to what extent satisfaction or dissatisfaction was fulfilled". This includes "evaluation, emotions or emotional reactions." Therefore, satisfaction is the general judgment of the customer about the service provider (McDougall & Levesque, 2000).

According to Oliver (1997), customer satisfaction is the ability to meet customer expectations. If the results of the product or service are lower than expected, the customer is not satisfied. This is related to customers perception of the service. Therefore, service providers must identify customers' expectations and perceptions of the services to understand customer satisfaction.

Customer satisfaction is an important factor in maintaining a long-term relationship between the company and its customers (Anderson & Srinivasan, 2003; Lim et al., 2006). Satisfaction can be assessed by the brand's customer ratings based on all customer encounters and experiences with the brand. Kim et al. (2004). Satisfaction was defined as the post-consumer evaluation of the consumer and the emotional response to the overall experience of the product or service (Oliver, 1992). Satisfaction is a strong predictor of behavioral variables such as repurchase intensity, recommendations and loyalty (Lin &

Wang, 2006). Satisfaction is greatly influenced by the evaluation of the customer's service function. Javalgi et al. (2005)

The rapid growth of the mobile services market in recent years has affected in a sector that face intense competition between companies, and mobile operators are making proposals to offer a wide range of services, attract new customers and retain current customers. (Shukla, 2010). In increasingly competitive scenarios, providing high levels of customer satisfaction and fewer defects are key issues to differentiate from the competition (Deng et al., 2010). Investigating the critical factors that drive customer loyalty in the mobile phone sector are the quality of service and customer satisfaction. Ilias Santouridis & Panagiotis Trivellas (2010).

2.3 Customer Loyalty

There are many definitions developed by academic field when talking about customer loyalty. Griffin (1996) said that customer loyalty is a buying behavior and a different attitude not same as customer satisfaction Oliver (1997, pg.233) defined customer loyalty as a serious commitment to continue buying or sponsoring future preferred products / services by repeating the purchase of the same brand or the same set of brands despite the impact of circumstances and circumstances. marketing efforts. Aydin & Ozer (2005) suggested that customer loyalty is characterized by the intention to repurchase, resistance to the transition to competitive products / services. Aydin & Ozer (2005) suggested that customer loyalty is characterized by the intention of repurchase, resistance to the transition to products / services of competition superior to those of preferred suppliers and the willingness to recommend preferred suppliers to friends and colleagues.

Customer loyalty is one of the key factors that helps companies maintain long-term success (Andres Kuusik, 2007). Lim et al (2006) defined customer loyalty as the consumer's general attachment or commitment to mobile service providers. Jim Novo (2011) described customer loyalty as a tendency for customers to choose a specific brand of business or product to meet their needs. This situation can be described as "brand loyalty" because customers tend to choose a brand more often than others. Choices and buying actions are evidence of customer loyalty to a certain brand. Customer loyalty is the result of the customer retention program, which encourages customers to actively choose their brand as exclusive.

Repurchase intentions are based on the client's willingness to recognize customer continuity expectations, such as maintaining existing relationships (Ellinger, Daugherty & Plair, 1999; Kumar et al., 1996) and recommending the company and the service provider to others, including friends and family. The purpose is to reflect the expected behavior of the customer and identify the intentional repurchase of the product / service. The commitment exists only when the relationship is considered important, when the committed partner wishes to continue the relationship indefinitely and when the partner is ready to work to preserve the relationship. The indication of a relationship commitment includes sharing confidential information, the intention to allocate future investments in the relationship and the level of assets and / or resources already committed to the relationship (Ellinger et al., 1999).

The importance of customer loyalty is closely related to the continued survival of the company and its strong future growth. Therefore, when a company reaches a saturation point, the market is mature and competitive to maintain a stable level of income. Defensive strategies that strive to retain existing customers are more important than aggressive ones by attracting to potential customers (Kim et al., 2004; Fornell, 1992; Ahmad & Buttle, 2002).

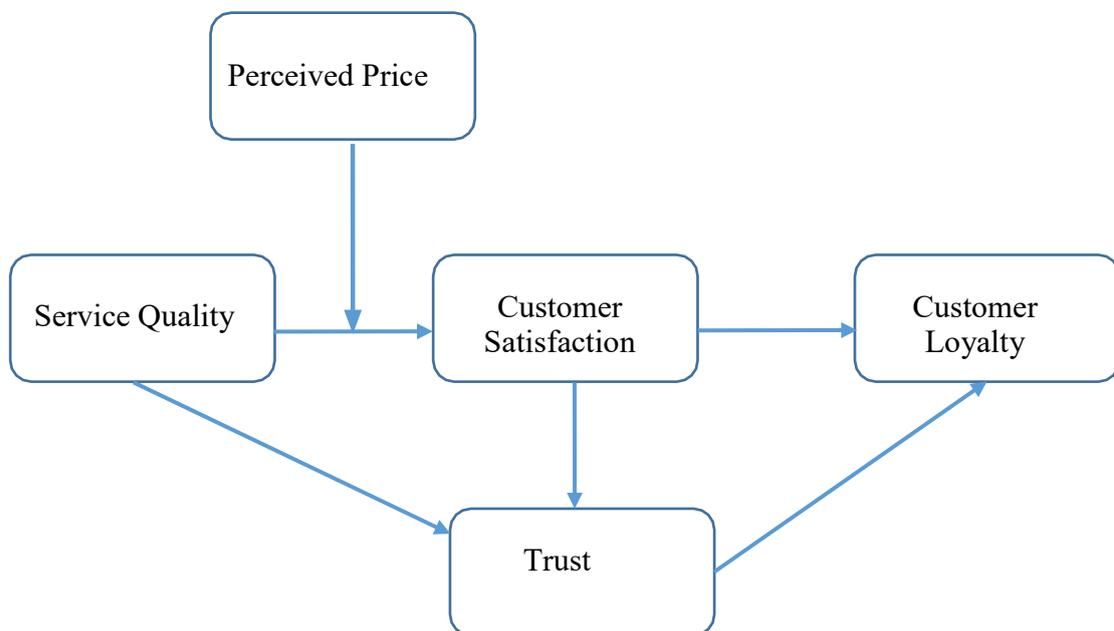
2.4 Previous Studies

In Myanmar, the mobile phone market is considered an important growth engine for the telecommunications industry. In a monopolistic environment, it has become a competitive market managed by four main operators: MPT, Telenor, Ooredoo and MyTel. Over the years, there is intense competition among companies. This provides a favorable environment for mobile users when choosing a mobile phone service provider. In general, mobile phone users choose according to the quality of the service provided by the telecommunications company and the perceived value of the company's services (economic, emotional and social values). Mobile phone services include long-term commitments, so the value of their services affects decision making. Therefore, if the service matches or exceeds the perceived value of the customer, you are satisfied. Customer satisfaction is also inseparable from customer loyalty and relationship commitments (Lovelock, 2001). Therefore, it is necessary to constantly monitor and improve the relationship between perceived value, satisfaction and customer loyalty to the mobile phone service.

(a) Customer Loyalty in Telecom Sector of Pakistan

A survey of previous studies on customer loyalty in Pakistan's telecommunications sector (Nasir & Mushtaq, 2014) shows that customer loyalty is a dependent variable, and customer satisfaction, perceived price, service quality and trust are independent variables. The study also tested the relationship between service quality and customer satisfaction. The study recognized the quality of service, which positively affects customer satisfaction, with perceived prices, which serve as a moderating variable. In addition, quality of service also has a significant positive impact on trust. Customer satisfaction is a powerful variable that affects customer loyalty and trust positively. The study showed that customers who have received high marks for quality and service satisfaction also generally have a strong intention to repurchase the products. Moreover, increasing customer awareness of price rationality tends to increase the impact of service quality on customer satisfaction. The study model is illustrated in Figure 2.1.

Figure 2.1: Conceptual Model of Nasir & Mushtaq



Source: Nasir & Mushtaq, 2014.

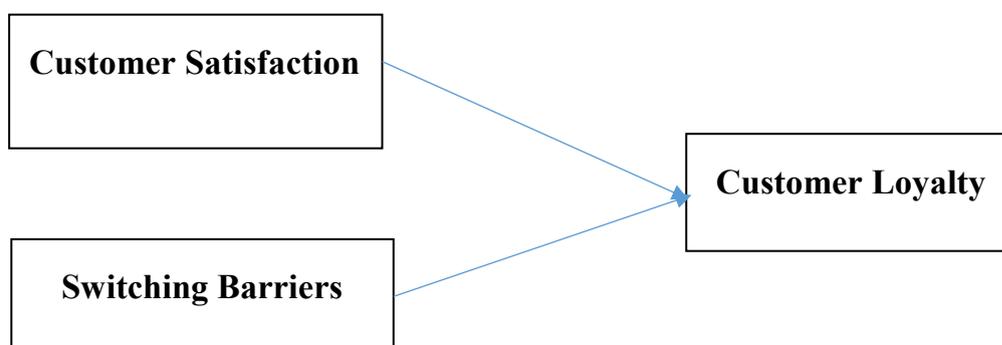
(b) Effects of Customer Satisfaction and Switching Barriers on Customer Loyalty in Tirunelveli District Mobile Phone Service Providers

The research model to be tested in this study is shown in the Figure 2.2 below. This figure shows the hypothesized relationships among all the constructs included in the present study, such as; customer satisfaction, switching barriers and customer loyalty. Strife competition, constant and continuous technical advancement demands the mobile/telecom service providers to be more vigilant and proactive in attracting customers, fulfilling their needs and wants, addressing all genuine issues, so that to make them satisfied, and turn them loyal and thereby to retain their clients. Cognizance of this outcome is certainly informative to all service providers in understanding their clients better.

Customer satisfaction and switching barriers have a high effect on customer loyalty. Customer loyalty and switch over factors are the key driving force in ensuring customer satisfaction in Indian Market. The all parameters with reference to customer loyalty and Switching factors in a telecom industry are subjected to conditioning by the environment of exploding economy. This conditioning in turn leads to a behavioral pattern which is by and large acceptable as well as expectable which becomes a conceptual cosmos of communication.

Each and every adverse feedback from the clients ought to be approached with a positive mindset, and gratitude which in turn will certainly leads one/ any telecom service provider in even challenging their own marketing life cycle.

Figure 2.2: Conceptual Model of S.Kannan



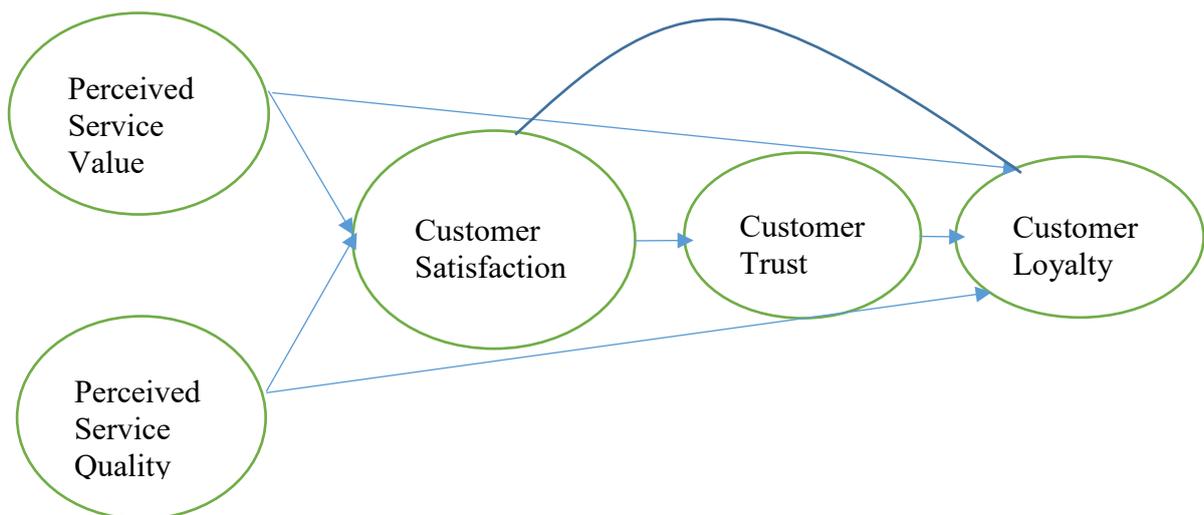
Source: S.Kannan, 2017.

(c) Antecedents of Customer Loyalty in The Mobile Telecommunication Market. A Cross-Cultural Investigation

The model presented in this study effectively represents the data collected and, therefore, limited research conducted in the area of customer loyalty in developing economies. Based on our findings we have discussed some interesting implications that may be useful to marketing managers or executives in their effort to improve the performance of their service provision.

The telecommunications industry is in the early stages of an advanced-analytics revolution (Hamza, 2016). Continuous upgrading infrastructure will go a long way to improving the performance of service. Network operators that can leap into more digital and analytic-based business models are in a better position to maintain and maximize their relationship with customers and their productivity and performance. However, telecom providers can expect better results in terms of customer retention and in addition, the performance of service delivery if trust can be established with their customers. Making this happen, however, will require new ways of thinking, new types of leadership and a cultural change. The study model is described in Figure 2.3.

Figure 2.3: Conceptual Model of Rizomyliotis, Konstantoulaki, Kaminakis, Giovanis & Papastathopoulos.

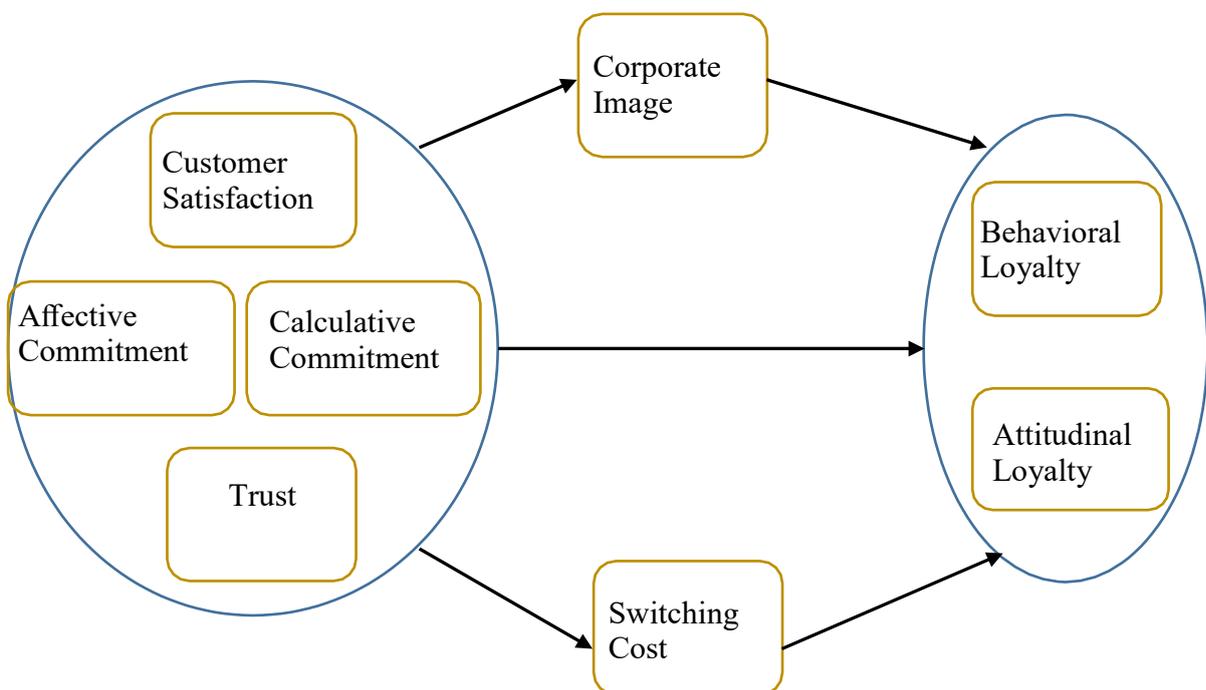


Source: Rizomyliotis, Konstantoulaki, Kaminakis, Giovanis & Papastathopoulos, 2018.

(d) Validating Antecedents of Customer Loyalty for Indian Cell Phone User

The previous research of validating antecedents of customer loyalty for Indian cell phone users (Kaur & Soch, 2012) examined the success of mobile phone service providers in India mainly depends on developing innovative schemes to increase customer loyalty. The study found that customer loyalty is considered as prime determinant of long-term financial performance within a service organization. It also pointed out that telecommunication service today is to understand how or why a sense of loyalty develops to customers. The study addressed both the conceptual and measurement issues related to customer loyalty amongst the cell phone users by analyzing the relationship between the customer loyalty and the antecedents of customer loyalty namely, customer satisfaction, trust, commitment, corporate image, and switching costs. The study model is presented in Figure 2.4.

Figure 2.4: Conceptual Model of Kaur & Soch.

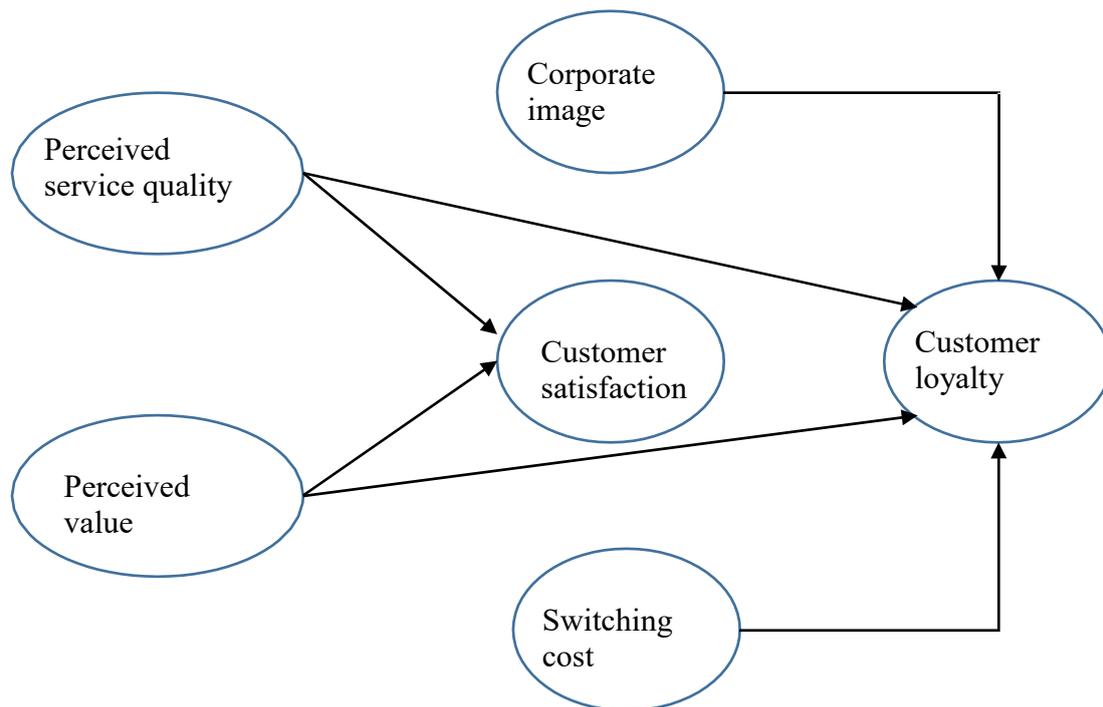


Source: Kaur & Soch, 2012

(e) **An investigation of Key Determinants of Customer Loyalty: Evidence from Ghana's Mobile Telecommunication Industry**

The study of an investigation of key determinants of customer loyalty: evidence from Ghana's mobile telecommunication industry (Quaaye, 2012) investigated how customer satisfaction, perceived service quality, perceived value, corporate image and switching cost determines customer loyalty in the mobile network services setting of Ghana. The result showed that customer satisfaction had the greatest impact on loyalty. Service quality and perceived value are both directly and indirectly related to loyalty through satisfaction. The results also revealed that corporate image is direct antecedent of customer loyalty. The role of image as a key factor in mobile network service making is thus confirmed. However, the influence of switching costs on customer loyalty was not corroborated. The conceptual model is depicted in Figure 2.5.

Figure 2.5: Conceptual Model of Quaaye.



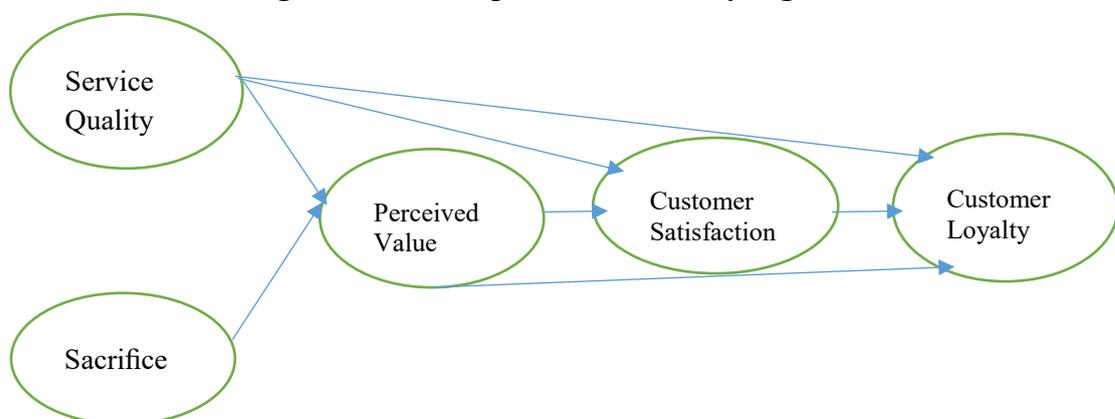
Source: Quaaye., 2012.

(f) Factors Influencing Customer Loyalty of Mobile Phone Service: Empirical Evidence from Koreans

This study examined the factors that affect customer loyalty in the mobile phone service sector in Korea. The results of the route analysis indicate that service quality, perceived value and customer satisfaction have had a significant impact on customer loyalty. The quality of service has had the greatest impact on customer loyalty. This result indicated that customer loyalty may be mostly affected by high quality services. In other words, if customers recognize high quality mobile phone services, they are more likely to stay with their existing service providers and recommend to others.

Customer satisfaction and perceived value proved to be an important predecessor of customer loyalty. Customer satisfaction affected customer loyalty more than service quality, but customer satisfaction played an important role in mediating the relationship between others and customer loyalty and in improving customer loyalty. Previous studies have demonstrated the importance of customer satisfaction and its impact on customer retention (Woo & Fock, 1999). The total effect of the perceived value on customer loyalty was less than the two factors mentioned above. However, the perceived value played an important role in understanding the real behavior of the customer, for example, quality for the price paid by the customer or customer benefit. In addition, the perceived value played a mediating role between service quality, sacrifice and customer satisfaction, and between them and customer loyalty. Therefore, perceived value as a balance between quality and sacrifice is one of the reasons why customers remain with their existing service providers. The research model is shown in Figure 2.6.

Figure 2.6: Conceptual Model of Hyung Seok Lee.



Source:Hyung Seok Lee, 2010.

These results have a significant impact on professionals. It is necessary to determine the exact role of perceived value in customer satisfaction and loyalty. If the perceived value is an antecedent of customer loyalty, then marketing professionals must incorporate it into customer loyalty relationships. It is necessary to abandon the opinion that improved customer satisfaction can only be achieved through a better quality of service. Marketing professionals can improve customer satisfaction and loyalty by considering the role of perceived value (and the relationship between customer satisfaction, quality of service, perceived value and customer loyalty).

2.5 Conceptual Framework of the Study

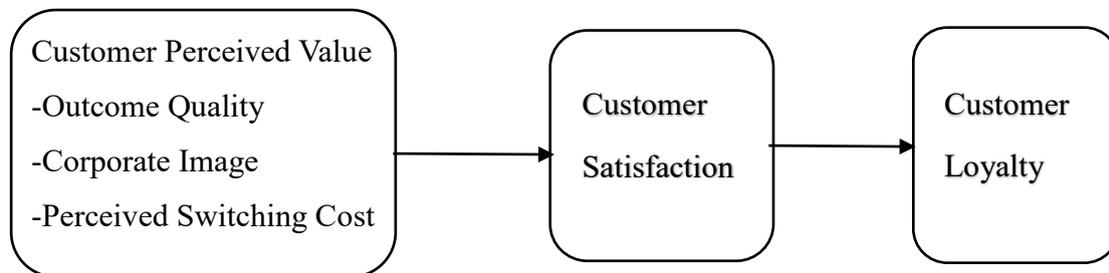
The quality of service perceived by the customer, the perceived value and customer satisfaction are well known as the most important success factors in the commercial competition of manufacturers or service providers (eBuzzell and Gale, 1987; Zeithaml, 1996; Bolton and Drew, 1991; Parasuraman et al., 1988, 1991). Investigating perceived value problems is crucial because compares with perceived quality. The perceived value is more directly related to the consumer's intention to buy (Dodds and Monroe, 1985). Moreover, high levels of perceived service performance resulting in high levels of perceived value (Lim et al, 2006). As said by Schiffman and Kanuk (2004), the general objective of delivering value to customers consistently and more effectively than their competitors is to keep customers highly satisfied.

Satisfaction has been widely learnt as a predictor of customer loyalty (Cronin et al., 2000; Fornell et al., 1996; Yang and Peterson, 2004). This overall satisfaction has a strong positive impact on customer loyalty intentions in a wide range of product and service categories (Gustafsson, 2005). It is an essential factor in the long-term relationship between the company and its customers (Anderson and Srinivasan, 2003).

Several researches on the value of customer perception carried out in various sectors of the service industry provide a strong scientific basis for this study. Previous study about antecedents of customer loyalty in the mobile communications market cross cultural investigation in the UAE telecommunication sector by (Ioannis Rizomyliotis, Apostolos Giovanis, Kostas Kaminakis, Kleopatra Konstantoulaki, and Avraam Papastathopoulos, 2018) indicated that a positive impact on loyalty with the perceived quality of service, customer satisfaction and trust.

Based on the previous studies, the conceptual framework of the study is illustrated in Figure 2.7.

Figure 2.7: Conceptual Framework of the Study



Source: Own Compilation, 2019

In this study of customer perceived value and customer loyalty, the study was a continuation of previous research investigations conducted in the past by numerous researchers. However, what is unique to this study is that it raises questions, should customer satisfaction and loyalty be investigated in the relationship with customer perceived value in MPT. The questionnaire was used to measure customers' perceived values, satisfaction and loyalty towards MPT mobile phone service in Yangon, Myanmar. As pointed out in the review of literature, based on the theory of customer satisfaction and loyalty, examining customer perceived value and customer satisfaction relationship and also the customer satisfaction and customer loyalty.

CHAPTER 3

PROFILE AND PRACTICES OF MPT MOBILE SERVICE

This chapter describes the overview of mobile service industry, the background history and profile of MPT including organization chart of MPT. Moreover, the major focus of this chapter is on activities and practices of MPT for customer values. And then, followed by the research design, demographic characteristics of the respondents, and analyzing on customer perceived value of MPT mobile service.

3.1 Overview of Mobile Service Industry

Communications services are essential to manage the business efficiently. Five years ago, Myanmar was one of the last underdeveloped telecommunications markets in Asia, but this gap is rapidly bridging by focusing on the explosive growth of mobile and mobile broadband services and their sectors. By 2019, Myanmar had created a telecommunications boom for five years, and since the sector began competing with foreign based companies in 2014, the country's physical and technical environment has changed significantly.

Myanmar's mobile market encountered very rapid growth from 2013 to 2017, with three new competitors entering the market, and the number of operators increased from one to four. This dramatically increased market competition. In 2018, the mobile market became saturated and competition for data prices intensified and the introduction of the fourth operator, Mytel, resulted in a lower average revenue per user. Myanmar's mobile services industry is the fastest growing industry in Myanmar and has developed year by year. Competition in the telecommunications sector is intensifying as operators and ISPs rush to get market share at the expense of the margin.

Today, technology is spreading rapidly due to a number of factors, including greater economy and ease of adaptation, reduced prices and sizes for mobile phones and greater power and range. These important elements of the industry have created a wide variety of consumers among these products. The growth rate is expected to decrease as the market matures in the next year. The mobile broadband market will accelerate with the launch of 4G and 5G networks.

Five years ago, the mobile services industry is in development. Government supervision did not allow expansion. Myanmar's current population is approximately 55 million, which is one of the latest outdated mobile communication technology situations in the rapidly expanding telecommunications market in Asia. MCPT (Ministry of Communications, Posts and Telegraphs) has been a telecommunications regulator in Myanmar for many years and possesses a major telecommunications provider, Myanma Posts and Telecommunications (MPT). Yadanapon Teleport (YTP) had also founded, a joint venture between local private companies and MPT. However, to encourage foreign investment and ensure a fair market for operators, it agreed to separate MPT and YTP. Up to 2014, the unit price of SIM cards, voice call rates per minute, data service charges and other value-added services were very high-priced. As a result, mobile communications services have not been able to reach some potential customers. This led Myanmar to invest in telecommunications infrastructure, which proved to be the second growth engine of Myanmar's economy after the expansion of the telecommunications sector in 2013.

In 2013, two new foreign companies have joined Myanmar telecommunications industry. These were Ooredoo owned by Qatar and Telenor from Norway. Both companies have received the National Telecommunications License (NTL) and the state-owned Myanmar Post and Telecom (MPT) as well. MecTel, the second regional telecommunications operator owned by the Myanmar Economic Corporation, has also been functioning in this market since 2013 under a mobile virtual network operator license. The consequences of the invasion of communication are clear. The operations of Ooredoo and Telenor began in August and September 2014, indicating that millions of subscribers have been engaged. Only Telenor had a total of 19.5 million subscriptions and Ooredoo reported more than 8.3 million subscribers in Myanmar as of June 2018. By offering competitive services alongside KDDI Corporation and Sumitomo Corporation, MPT remains a major service provider with more than 20 million subscribers as of December 2018. After two foreign companies commenced this service, the Myanmar telecommunications industry has become very competitive and is led by three companies: MPT, Ooredoo and Telenor. Each company has a strategy of applying unique strengths and individual marketing strategies to gain more market share and customer loyalty. MPT has developed the broadest 3G network coverage for more than 90% of the country's population. Telenor focuses on a low-cost strategy to enter the market at the lowest price among the three companies. Ooredoo focused on recommendations to achieve the fastest data rates for their customer base.

Today, Myanmar's telecommunications service providers face many challenges. These challenges come from economic, political and technological factors that directly affect this developing market in the global telecommunications industry. The continuous development of these telecommunications services has resulted in great competition in prices and dissemination methods. This includes promotional tools such as service and distribution, advertising, sales events, promotion campaign, direct sales and public relation of the company.

3.2 Background History of MPT

In Myanmar, Postal and Telecommunication services were launched since Myanmar King Era in late 19th century. Since the British colonial period, postal, telegraphic and telephone services have been provided in Myanmar, and the first telegraph lines were established in Myanmar in 1861, but Myanmar's telephone service began in 1884, eight years after the invention of telephone by Sir Alexander Graham Bell in 1876. In 1884, there were about 1300 telephone lines in Yangon, and after being separated from India in 1937, a postal and telegraphic office was established in Myanmar and connected to another 50 cities in the same year. It was established in the province using open wire and wire carrier systems for both telegraph and telephone services. And then, telecommunications services continued to grow during the postwar period, with 80 exchanges at the end of 1962. It included four crossbar exchanges in Yangon and the total number of telephone lines was 14,754.

In 1967, the number of telephones increased to 21,444 and has continued to expand since then. At that time, long-distance communication systems in other countries were three and twelve channel open wire carrier systems and international telephony and telex services mainly used high frequency radio communications. At that period, the total number of phones in Yangon was approximately 17,400 and there were about 22,000 telephone lines across the country. In March 15, 1972, the Post and Telegraphs Department was reorganized as Post and Telecommunications Corporation to carry out economic affairs in the state economic sector, in accordance with the general guidelines of the Revolutionary Council.

Changes in the field of telecommunications in Myanmar began after 1988. Ministry of Transport and Communications had been restructured, under the notice of the State Commission for the Restoration of Law and Order, namely the Ministry of

Transportation, the Ministry of Railways, the Ministry of Communications Posts and Telegraphs, on January 29, 1992. The main objective of this restructuring process is to implement an effective and successful development in economic, nation building and transportation and communication projects and their respective tasks. Consequently, the Ministry of Communications, Posts and Telegraphs (MCPT) was formed on February 3, 1992 with three main departments. With the new structure, both MPT and PTD (Post and Telecommunication Department) are included in the Ministry of Communications, Posts and Telegraphs.

The MCPT was renamed Ministry of Information and Communication in accordance with the announcement of Republic of Union of Myanmar President Office on November 9, 2012. To achieve national objectives, it is necessary to participate in the private sector of the telecommunications sector. Union law (31) for the telecommunication sector was enacted aimed at the development of national telecommunications. Therefore, license has been issued for international operators such as Ooredoo and Telenor, and the state's telecommunications needs will be met through competition between MPT and foreign operators.

As part of the ongoing transition, the government has opened a process to promote public debate on new regulatory laws to ensure a free and open telecommunications market. The new law was prepared for preliminary version and published online in Burmese and English for a public discussion process that was open for about 30 days between November and December 2013. The discussion facilitated the submission of comments on the law from domestic and international telecommunication companies, civic groups and even foreign governments were raising expectations for the release of the final version. After many years of dictatorship, this transparent and comprehensive process opened a new space for dialogue between governments, citizens and international companies, and the debate on Internet freedom in Myanmar has certainly begun.

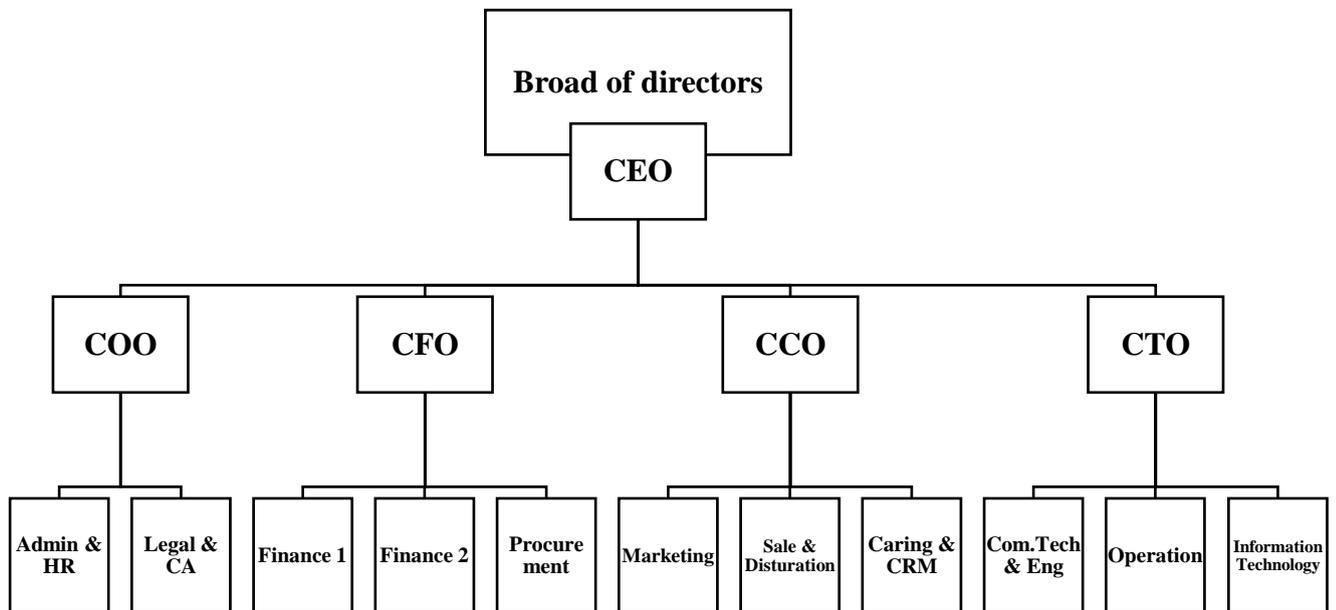
According to the Presidential Office Order No. (3/2016) on 30 March 2016, the Ministry of Information and Communication was changed to the Ministry of Transportation and Telecommunications. MPT is a state-owned company in Myanmar under the supervision of the Ministry of Transportation and Communications, MPT is the first leading telecommunications operator in Myanmar and has been led the development of the telecommunications industry for more than 130 years. It provides fixed and mobile services to individuals and companies, including the country's largest 3G network and the fastest

and most advanced MIMO 4x4 powerful data service known as LTE+ in Myanmar. Currently, it operates a nationwide network infrastructure with 96% coverage of the widest range of mobile networks in Myanmar.

3.3 Profile of MPT KSGM Joint Operations

In July 2014, MPT signed a joint operation agreement with KDDI Summit Global Myanmar (KSGM), joint venture of KDDI (KDDI Corporation) and Sumitomo Corporation (Sumitomo). KDDI and Sumitomo promised to invest more than \$ 2 billion in 10 years to accelerate the development of the MPT and Myanmar telecommunications industries. This commitment is one of the biggest Japanese historical investments in Myanmar.

Figure (3.1) Organization Chart of MPT KSGM Joint Operations



Source: MPT internal announcement, September 2019

The existing organization structure is shown in Figure (3.1). MPT KSGM JO is organized of 11 divisions with headquarters and managed by the Board of Directors in accordance with CFO (Chief Financial Officer), COO (Chief Operating Officer), CCO (Chief Commercial Officer) and CTO (Chief Technical Officer) and Management Team. Each role within management shall have deputy and functional head. They are responsible for participating in joint decision making and joint supervision in all matters within the area of responsibility of the corresponding functional managers. MPT KSGM JO has a

human resources policy that establishes a consensus approach on key human resources considerations and applies to MPT operations.

MPT have been defending the development of the telecommunications industry in Myanmar for over 130 years. Currently, it operates nationwide network infrastructure with the largest mobile network coverage of 96% across Myanmar. With more than 23 million users, MPT is Myanmar's first leading telecommunication operator, providing both fixed and mobile communications services to individuals and businesses in Myanmar. MPT, with more than 8,000 employees and KSGM, constantly strives to advance in the telecommunication sector, maintain the value of social responsibility and moving Myanmar forward.

3.4 Activities and Practices of MPT for Customer Value

Creating Customer Value increases not only customer satisfaction but also loyalty resulting in higher market share and better efficiency leads to higher profits. MPT accomplishes its' good activities and practices to create real customer value.

3.4.1 Activities and Practices of MPT for Outcome Quality

After the competitive international operators launched their mobile services in 2014. To ensure that MPT grows to be a world-class operator in the new competitive market, the Myanmar Government signed an innovative Joint Operations Agreement with KSGM. This is a Company Limited Joint Venture by Japanese companies KDDI and Sumitomo, that were selected as a part of a consortium to work with MPT. The selection process was rigorous and focused on the strengths and investments a partner can bring to MPT to deliver good outcome quality service.

KDDI is one of the leading telecom operators in Japan, which is one of the world's highest quality telecommunications markets. KDDI offers both fixed and mobile services, just like MPT does. It serves 50 million subscribers in Japan and have been consistently rated as No.1 in customer service for both B2C, i.e. retail customers, and B2B i.e. business customers. MPT works cooperation with Sumitomo Corporation, a global integrated trading company from Japan. Sumitomo has operations in 67 countries and has invested in many telecom businesses throughout the world. Sumitomo has a 60 years history of working in Myanmar which is the main point joint operation for MPT and Myanmar Telecom Sector.

To enhance MPT's outcome quality, MPT has been working together with KSGM investing in technologies and develop competitive products and promotions to ensure that MPT continues to be the leading operator in Myanmar. KSGM has brought together many experts from Japan and other countries working on the MPT Joint Operation. Having such a diverse range of talent helps MPT bring all experience and best practices from international operators, as well as from the KDDI and Sumitomo headquarters in Japan.

The JO is committed to invest over 2 billion US dollars within 10 years, across of MPT's operations, covering both fixed and mobile services. Accompanied by global experience and MPT's rich local expertise, the vision of our Joint Operation is to enhance Myanmar's information and communication technology (ICT) landscape resulting in good outcome quality of MPT mobile service. Joint Operations is sure to become a shining example, a global best practice for collaboration between private entities and Government to develop a strong corporate identity.

MPT has been expanding the telecommunication infrastructure of Myanmar, investing into all layers of network and support systems. Through technical expertise, MPT is improving service levels such as the technical quality of services the network offers, and the customer care and service that the customer receives. It's innovative sales, marketing and branding initiatives keep MPT at the forefront of the competitive market. Through these, MPT continuously aim to be the closest to customer and channel partners. MPT is confident that all employees working together across all these aspects, will surely provide better outcome quality to customers as the leading operator in Myanmar.

3.4.2 Activities and Practices of MPT for Corporate Image

Corporate image is essential for service organization and it influence on not only customers' perception but also customer satisfaction. Physical and behavioral attributes such as organization name and architecture are related to corporate image. MPT is organized by four offices, CTO, CFO, CCO and COO and each division perform their activities and practices to improve corporate image of MPT as follows.

The CTO office assigns a medium and long-term strategic plan for each telecommunications network and develops a technology strategy, policy, procedure, process and roadmap to provide MPT with the leadership and objective to perform its activities in accordance with organizational goals. The CTO comprises of three divisions:

Communication Technology and Engineering (CTE) division, Operation division and Information Technology (IT) division.

Based on the annual sale forecast plan and technical requirement, CTE division develops better quality network deployment plan yearly and deliver good quality service to get customer satisfaction. CTE division manages the overall implementation progress of all telecom networks such as fixed and mobile network expansion, mobile coverage area expansion, accelerating development of Core and Transmission, and providing services, and enhancing quality of fixed and B2B services. Moreover, CTE fulfills coordinating role among engineering departments, integrate implementation progress, manage the vendors and construction companies at a high level, develop progress and analysis to report directly to CxOs. The directors administer quality of the network development through the approval procedure and carry out all network approval testing activities to ensure that quality of service. Technical requirements following international standards such as ITU (International Telecommunication Union), 3GPP (3rd Generation Partnership Project), GSMA (Global System Mobile Association), IEEE (Institute of Electrical and Electronics Engineers), are implemented in accordance with the network design and project schedule.

The operational division monitors and manages the quality of service (QoS) and the performance of network and service operations such as observing the network for 24 hours a day and 365 days a year, monitoring the incident management process, supporting customer complaints, monitoring service performance.

The IT division controls and conduct the development and operation of solutions related to billing and invoicing (process of collecting bill for prepaid/postpaid mobile and fixed services customers), VAS(process of sending messages about value added services, Business Intelligence(process of business data analysis and IT analysis by connecting to systems), IT strategy & infrastructure (centering around corporate IT, internal supporting necessary technology aids for employees).IT division provides solutions effectively and efficiently, and delivers cost-effective service and value creation. CTO also controls vendors at high and field level business planning, design, implementation, annual deployment planning and adjustment of operation plans based on budget.

The CFO consists of three divisions: Finance 1, Finance 2 and Procurement. The Finance 1 prepares a comprehensive presentation on management accounting, supporting timely decision-making by management, and reviewing the preparation of audit plans,

financial plans and budget methods. It analyzes current issues in terms of organization and external sources resulting in organizational best practices.

Finance 2 manages liquidity, current accounts, banking relations, the procedures for reforming and improving the management of liquidity and the improvement of financial liabilities in accordance with company policies and procedures. The account balances and anomalous items in the report will be verified, including records for all cash transactions.

The purchasing department develops detailed plans, work processes and procedures related to real estate activities, general purchasing and contract management for all products and services, to develop periodic and systematic processes and to ensure operational efficiency function. It also keeps historical records such as quotations, purchase orders, discount rates, and efficiently secures and manages all assets to support guidance and advice on the complex procurement and negotiation process for common goods and services. In order to maximize the company's profit according to schedule, it manages to ensure the level of service with respect to procurement standards.

CCO consists of three divisions. “Marketing Division”, “Sales & Distribution Division” and “Caring & CRM Division”. CCO is accountable for executing all activities related to mobile, fixed and IT service products and bundle pricing for enterprise customers, build product specifications, promote product implementation, develop input to enterprise marketing strategy and enterprise mobile products to coordinate with IT, CTE and operation divisions.

The Marketing Division is in-charge of developing and implementing pricing, promotions and products which satisfies the needs and demands of our customers and keep us ahead of the competition. Branding and Communication also falls under this division and maximize the awareness of MPT’s services creating a strong brand.

Sale and Distribution Division develops sales channels to maximize the accessibility and availability of our products, mainly SIM cards and top-up card, including E Top-up, for our customers. MPT sales channels, such as branded stores, mobile handset shop, grocery stores are key customer contact points in providing our products and services. S&D Division conducts B2B business, providing the mobile and fixed services to corporate customers. The carrier & wholesale business provide the connectivity for international calls, roaming and internet, as well as leasing MPT infrastructure to other telecom and service providers.

In addition to implementing and monitoring branding activities, branding and advertising departments help to develop branding and communication strategies to efficiently deliver the desired marketing communication messages to customers. To accelerate MPT's market speed and efficiency, the sales planning department develops strategies and plans for new alternative channels, including launching business contacts, developing and negotiating, facilitating contract development, and analyzing and exploring potential alternative channels. Develop and maintain relationships with potential alternative channels to earn trust and support, and work closely with relevant organizations to develop new operational models for new channels.

Caring and CRM Division take care for customers to create good image of MPT by operating MPT call center, 106. Mainly through this call center, they handle inquiries and complaints from MPT customers. Caring and CRM Division is taking a vital role in making into a “Customer Centric Company”. CRM has to support the development of marketing, sales, distribution, brand and communication strategy, as well as implementation and monitoring of brand activities are efficiently delivered to customers.

The COO has two divisions: Administration and Human Resources, and Legal and Corporate Affairs. Administrations and human resources assist in supporting business processes, including human resources functions such as recruiting, placement, training, compensation, benefits, appraisal, promotion, employee relations, supplier contracts, customer contracts, distribution agreements, intellectual property, claims, internal rules, etc. HR plays a vital role in bringing success to the entire organization. To provide MPT’s customer satisfaction, our employees’ satisfaction is a part of successful business. Content employees can produce their best which obviously brings benefits to the organization. The JO Business Rules are consistent with the personnel policy established in the Joint Operating Agreement.

HR Department have an Employee Relations Team. MPT employees are being taught about the figurative mirror. If someone see an angry face, that makes feeling angry. The same way if somebody see a happy face, that create pleasant mind. The same is for customer and employee relations. Smiling is a vital skill and Myanmar is a country of smile. The HR Department is working hard behind the scenes, and the employees are the customers of HR Department.

To be successful organization the training is very important one and have to improve it. Therefore, MPT training center provide comprehensive training including

English skills to business related functions to all MPT employees. Training center update training syllabus and schedule depending on what is necessary at the time.

Corporate Affairs designs internal control infrastructures and internal control processes to external standards to ensure the efficiency and effectiveness of the business, the reliability of financial reporting and compliance with standards, rules and regulations. It also acts as a consultant and promotes internal activities for complex issues to ensure that the infrastructure and internal control processes throughout the enterprise are implemented effectively and smoothly.

Corporate Communication Department, this department is vital to communicate with the public and media, making sure that our services and products are communicated effectively. They collaborate with respective departments such as commercial and technical teams to craft information into draft press releases and other announcements. Within the Corporate Communication Department, the teams are divided into PR (Public Relations) and CSR (Corporate Social Responsibility). CSR is central to MPT business and to the community we work with. MPT should operate as an ethical organization, giving back to the community as part of MPT's business operations. Furthermore, the Corporate Affairs Department is an important liaison with the Government Regulatory, the PTD (Posts and Telecommunications Department).

MPT executes the best activities and practices as mentioned above to improve corporate image, instead of just advertising and trying to promote a successful and good image. Bringing value to customers and the society is the best way for MPT to remain sustainable and leading telecom operator in Myanmar.

3.4.3 Activities and Practices of MPT for Higher Switching Cost

Switching costs are one of the most important economic factors that affect competition in the mobile market. Theoretical and empirical studies show that switching costs reduce competition in mobile telecommunication service market.

After MPT signed a joint operation agreement with KSGM (KDDI Summit Global Myanmar Company Limited) on 16 July 2014. MPT forced in order to make access to mobile telecommunication easier for everyone in the country, to extend network coverage and to provide more people with good quality telecom services network using advanced technologies. MPT implemented country wise infrastructure such as IP backbone and back

haul network, GSM(2G)/WCDMA(3G)/LTE(4G) core network, radio access network such as BSC/BTS(2G), RNC/NodeB(3G), eNodeB (4G), international internet gateway to provide efficient and cost-effective telecom services to customer. MPT expand infrastructure not only in urban areas but also in rural area such as Chin state even though there is no profit for organization. Moreover, MPT has been setting up the mobile telecommunication network in the areas which are under the control of the armed ethnic groups. Therefore, mobile coverage area of MPT is wider than other licensed operators such as Telenor, Ooredoo and MyTel. Customers prefer wide network coverage area and choose MPT as primary mobile service. Therefore, MPT creates higher switching cost by expanding mobile network coverage area through the country.

In addition, MPT is the most first telecom operator in Myanmar and its' mobile phone numbers are 7 digits(09xxxxxxx), 8 digits(09xxxxxxxx) and 9 digits(09xxxxxxxxxx). Most of the customers such as entrepreneurs prefer 7 digits mobile numbers because it is easy to remember by heart. In addition, 7 digits MPT mobile phone number has been used as their business contact phone number for more than 10 years and do not want to change to new number easily.

Moreover, MPT marketing department applies segmentation, targeting and positioning to retain the existing customers leading to higher switching cost. According to customers' behavior, MPT customers are segmented into 60 segments and implements BTL (Below the Line) campaign such as "MPT Top-up and Win" to attract customers. This campaign also provides for preserving and maintaining good and effective relationships with customers. MPT also runs ATL (Above The Line) campaign hosting information about various services on MPT official website and Facebook page.

3.5 Research Design

The research design identifies how data is collected, how the instrument is used, how it is processed and how the information collected is organized and analyzed. In addition, the design, data analysis methods, statistical techniques and the various tools used for data collection were used in this study. In this study, a quantitative method is carried out, and both primary and secondary data are applied. Secondary data is collected from previous studies, company websites, textbooks and related sources on the Internet.

Structural questionnaires are designed for primary data collection. Questionnaires are derived from the literature review based on previous studies. There are four sections in total to cover each variable applied in the study. First section is for demographic data of the respondent. Second section is to explore customer perceived value on MPT mobile service. Third section questionnaires for customer satisfaction, and fourth section is to examine customer loyalty towards MPT mobile service. Five-point Likert scale is used to measure positive and negative perception of respondents to each statement.

There are 4,700,000 MPT mobile service users in Yangon. The sample size of this study is calculated by using Slovin's Formula with 95% confidence interval.

$$n = \frac{N}{1 + N e^2} = \frac{4,700,000}{1 + 4,700,000(0.05)^2} = \frac{4,700,000}{11751} = 400$$

Therefore, data are collected from 400 MPT mobile users through five-point Likert scale questionnaires in June 2019. All distributed questionnaires are fully completed and the results are presented in two parts.

After conducting survey, collected questionnaires are summarized and descriptive statistical analysis is applied for demographic characteristics of respondents, customer perceived value, customer satisfaction on MPT mobile service and customer loyalty on MPT mobile service. And then, inferential statistical analysis is utilized for the association between customer perceived value and customer satisfaction on MPT mobile service, and the association between customer satisfaction and loyalty on MPT mobile service.

3.5.1 Reliability Test

The reliability test is piloted in order to confirm consistent measurement through different statements in the questionnaire form. A qualitative preliminary survey is performed to identify and remove possible problems in the questionnaire. Accordingly, this method shows reliability through observing the internal consistency of the research questionnaires which are created in Likert scale.

Reliability is verified by the Cronbach's alpha coefficient, which is one of the popular benchmarks of reliability in quantitative studies. Cronbach's alpha value should be in the range of 0.0 to 1.0 but for research purpose, some researcher recommended that the minimum standard for reliability should be 0.70 or higher.

Table (3.1) Reliability Test

Variable	Cronbach's Alpha	Numbers of Items
Outcome Quality	0.931	18
Corporate image	0.906	6
Switching cost	0.897	7
Customer Satisfaction	0.908	5
Customer Loyalty	0.915	5

Source: Survey Data (2019)

Table (3.1) indicates that the analyzed Cronbach's alpha value for each variable while overall variables of the questionnaires have achieved with consistency and stability.

3.6 Demographic Characteristics of Respondents

In this study, the personal interviews were conducted with 400 MPT mobile users. The objectives of the study were explained to respondents and requested to participate in this survey. All participants were informed that all the surveyed data will be kept confidential and used only for academic paper. Table 3.2 represents the demographic characteristics of the respondents such as their qualification, gender, age, occupation, income and location. This section describes the customer demographic characteristics in terms of number and percentage of respondents as shown in Table 3.2.

The frequency and percentage distribution of demographic variables is presented in Table 3.2. Among the 400 MPT mobile users, majority of respondents is female (51%) and male is 49%.

Regard to age, there are five groups for age of respondents; such as less than or equal to 20 years old, between 21 and 30 years old, between 31 and 40 years old, between 41 and 50 years old, 51 years old and above. Majority of respondents belong to age group (21-30) years with 40% and it means that majority of respondents are young. The second largest group of respondents is between 31 and 40 years and they are 26% of the total respondents.

Table (3.2) Demographic Characteristics of Respondents

Demographic factors	Number of Respondents	Percentage (%)
Total	400	100.00
Gender		
Male	196	49.00
Female	204	51.00
Age		
Less than or equal 20 years old	31	7.75
21-30 years old	161	40.25
31-40 years old	104	26.00
41-50 years old	80	20.00
51 years old and above	24	6.00
Education		
Primary School	6	1.50
Middle School	5	1.25
High School	49	12.25
Bachelor's Degree	275	68.75
Master's Degree and Higher	65	16.25
Occupation		
Students	31	7.75
Private Employee	259	64.75
Own Business	27	6.75
Public Employee	65	16.25
Retired	6	1.50
Other	12	3.00
Monthly Income (in Kyats)		
Less than 100,000	22	5.50
100,001~200,000	95	23.75
200,001~400,000	110	27.50
400,001~500,000	28	7.00
500,001~1,000,000	52	13.00
More 1,000,000	93	23.25
District		
Western District	141	35.25
Northern District	84	21.00
Eastern District	91	22.75
Southern District	84	21.00

Source: Survey Data (2019).

The third maximum group of respondents is between 41 and 50 years and they are 20% of the total respondents. The second smallest group of respondents is less than

or equal 20 years old and they are 8% of the total respondents. The age group (51 years and above) has the minimum representative at 6%.

Regarding educational qualification, the majority of the respondents are educated, (69%) of MPT users are bachelor's degree holders and 16% are master and higher degree graduated. High school educated group is the third largest and 12% of total respondents. Primary and middle school education level respondents are very less and 2 % and 1% of total respondents.

For the occupation item, two hundred and fifty-nine respondents (64.8%) of MPT users were employed in the private sector. Occupation background of sample population is comprised of around 7.8% of students, 6.8% of own business, 16% of government service and 1.5% of retirees. As for respondents, monthly income of 64% percent for MPT mobile users received less than 500,000 Kyats per month. For respondents' residence (district) item, more than (35 %) of MPT users resided Western district, (23%) users lived in Eastern district, (21%) lived in each Southern and Northern district of Yangon respectively.

Majority of the respondent is female and dominant age group of the respondent is between 21 to 30 years old. It means that majority of respondents are young and educated. Monthly income of main portion of respondents is less than 500,000 Kyats and they are middle level people in the society.

3.7 Customer Perceived Value of MPT Mobile Service

In this session, 400 MPT mobile users were participated as respondents to take the questionnaire survey by interviewing. To analyze the customer satisfaction of MPT mobile users, respondents were asked about three main customer perceived value, outcome quality, corporate image and perceived switching cost. The perception score is chosen to measure the level of customers' expected value. The structured questions were used and total 31 survey questions were set by using five point of Likert Scale (1= Strongly Disagree, 2=Disagree, 3= Neutral, 4= Agree and 5= Strongly Agree).

Each statement was then calculated on the scale from one to five. The average value ranged from one to five. Therefore, from this scale, it can be summarized, if the mean value is less than three, it indicates customers disagree regarding questions pertaining to mobile

services. If the value is more than three, it indicates customers agree to specific questions pertaining to a specific to MPT. However, if the value is three, the customer answer is considered a neutral answer with regards to MPT mobile service. In order to illustrate the results of this study effectively, the researchers calculated statistical data is presented in numerical form in the tables. The numerical table presents all details of the results while table illustrations is shown in comparison to make the results of the data easier to interpret.

3.7.1 Outcome Quality

Regarding the mobile users' perception on MPT mobile service, the users answered eighteen statements using five-point Likert scale. Outcome Quality was designed by five sub-dimensions of Outcome Quality (Network Quality, Billing System, Waiting time, Reliability, and Privacy). The empirical data obtained from this research study reveals the customer perceived value on outcome quality is described in Table 3.3.

The overall mean value of outcome quality of MPT mobile service provider in the study was in an agree level of 3.46. In addition, the data revealed there was significance for MPT as having the highest agreed level for paying the invoice conveniently in billing system with a mean value of 3.91, agree level. When examining the waiting time by solving customer complaint, this revealed the lowest mean value of 3.16, agree level.

In terms of the respondents' views on waiting time, as for solving customer complaint, the data showed it was just above the neutral level, 3.16. As for the question fulfilling customer commitments, this had a mean value of 3.26. This result revealed that reliability of MPT mobile service is a little bit higher than agree level and second last agree level in measuring outcome quality. Moreover, in measuring customers' perceptions of Outcome Quality for MPT mobile communication services, Billing System, 3.61 is the most important indicator, followed by Privacy, 3.60, Network Quality, 3.58, Reliability, 3.30 and Waiting Time, 3.28.

The customers rated a high overall mean score for each question and is indicating that respondents are pleased with outcome quality of MPT mobile service. Because customer can hear other person's voice loudly and clearly during phone call conversation.

Table (3.3) Outcome Quality

SN	Description	Mean	Standard Deviation
	Outcome Quality		
1	Network Quality		
	Voice Quality	3.66	.882
	Mobile network coverage in Yangon	3.71	.977
	Call Quality of MPT mobile phone	3.39	.97
	Overall Mean for Network Quality	3.58	
2	Billing System		
	Providing accurate billing.	3.35	1.056
	Understanding the invoice easily and clearly	3.58	.939
	Paying the invoice conveniently	3.91	.847
	Overall Mean for Billing System	3.61	
3	Waiting Time		
	Solving customer complaints quickly.	3.16	.943
	Responding of MPT call center (106).	3.39	.946
	Knowing important of customer waiting time.	3.29	.931
	Overall Mean for Waiting Time	3.28	
4	Reliability		
	Fulfilling customer commitments.	3.26	.893
	Delivering services as promise.	3.33	.898
	MPT's guarantee	3.30	.894
	Overall Mean for Reliability	3.30	
5	Privacy		
	Checking personal information except the owner.	3.70	.871
	Protecting subscriber's private information.	3.58	.784
	Knowing that customer's privacy is important.	3.53	.840
	Overall Mean for Privacy	3.60	

6	Overall of Outcome Quality		
	Feeling good experience.	3.41	.885
	Receiving the desired outcome.	3.40	.887
	Feeling that MPT's services are valuable.	3.42	.906
	Overall Mean for Outcome Quality	3.40	
	Overall Mean	3.46	

Source: Survey Data (2019).

Majority of the customers think that MPT provides accurate billing and clear invoice for convenient payment. Respondents have moderate perception on the waiting time in solving customer complaints because they feel that solving customer complaint is slower than they expected. In addition, respondents consider that MPT mobile services have good reliability and high privacy as MPT fulfils customer commitments and protects customers' private information.

3.7.2 Corporate Image

The customer perception regarding corporate image is demonstrated in Table 3.4. The results concerning corporate image is discussed in this section. In the Table 3.4, the mean value of innovation and forward looking is 3.53. The mean value for the question having a good impression of MPT is 3.54 and then, the mean value for having a good image in the minds of consumers is 3.42. Moreover, the mean result for considering that MPT has a positive image in the marketplace is 3.45.

The mean value of corporate image of MPT in the study is in an agree level, in addition, the highest mean value is playing an important role in society, 3.67, agree level. When examining how MPT's customers judged MPT's ways of providing service, the data indicated that the lowest mean value agree level of 3.30 on receiving excellent service from MPT.

Regarding the mean values in below table, it shows that the satisfaction of respondents with MPT's corporate image is good and feel positive thinking towards MPT's image because MPT is innovative and forward looking for the customers. Then, it can be concluded that the perceived corporate image is also one of the influencing factors for customer satisfaction.

Table (3.4) Corporate Image

SN	Description	Mean	Standard Deviation
	Corporate Image		
1	Innovating and forward-looking.	3.53	.912
2	Playing an important role in society.	3.67	.913
3	Having a good impression of MPT.	3.54	.837
4	Having good image in the minds of consumers.	3.42	.912
5	Receiving excellent service from MPT.	3.30	.904
6	Considering of MPT's positive image.	3.45	.911
	Overall Mean	3.49	

Source: Survey Data (2019).

3.7.3 Perceived Switching Cost

The result data obtained from research study shows the customer perception on perceived switching cost is explained in Table 3.5.

Respondents agreed on the question, providing better service than other operators by MPT. with mean agreed value of 3.17. Respondents answering the question regarding providing the same services as MPT by other operator reached an agreed level with a mean score of 3.15. When examining the question, providing better billing than a new mobile operator, revealed a mean agreed value 3.21, which considered is an agree level towards switching cost. All respondents had a positive attitude with an agree level of the questionnaire, not switching to a new mobile communication provider. This breakdown revealed a mean value of 3.09 and the smallest mean value among perceived switching costs.

The mean value of switching cost with respect to the concept of receiving valuable service from MPT was 3.27, Agree. When looking at how customers are considering about remaining as MPT in order to remain as MPT subscriber, this revealed a mean value of 3.41 which was an agree level and highest score among switching costs. Nevertheless, all respondents agree with the question, being not worthwhile to switch to a new mobile operator. This study data showed mean value 3.34 which is higher than the neutral level of 3.00.

Table (3.5) Perceived Switching Cost

SN	Description	Mean	Standard Deviation
	Perceived Switching Costs		
1	Providing better service than other operators by MPT.	3.17	.988
2	Providing the same services as MPT by other operators.	3.15	.994
3	Providing better billing than a new mobile operator by MPT	3.21	.975
4	Not switching to a new mobile communication provider	3.09	1.087
5	Receiving valuable service from MPT.	3.27	.975
6	Remaining as MPT subscriber.	3.41	1.072
7	Being not worthwhile to switch to a new mobile operator.	3.34	1.094
	Overall Mean	3.23	

Source: Survey Data (2019).

Therefore, regards to perceived switching cost indicates that the respondents do not desire to switch easily to other mobile service providers such as Telenor, Ooredoo and MyTel since respondents think that MPT mobile service is valuable for them. The result data obtained from research study covers the customer perception on overall customer perceived value of MPT mobile service is explained in Table 3.6.

Table (3.6) Customer Perception on Overall Customer Perceived Values

SN	Description	Overall Mean
1	Outcome Quality	3.46
2	Corporate Image	3.49
3	Perceived Switching Cost	3.23

Source: Survey data (2019).

The findings of this study proved that the mean value of outcome quality, 3.46, corporate image, 3.49 and perceived switching cost ,3.23 are considered at the agree level.

The result shows that amongst three customer perceived value, corporate image is a highest agreed level, 3.49 as respondents consider that MPT plays an important role in society, comparing to other mobile operators.

CHAPTER 4

ANALYSIS OF CUSTOMER PERCEIVED VALUE AND CUSTOMER LOYALTY TOWARDS MPT MOBILE SERVICE

This chapter presents the data analysis and the results of the surveys conducted by 400 MPT mobile users in Yangon and includes two main parts. The first part is analysis on the effect of customer perceived value on customer satisfaction and the second part is analysis on the effect of customer satisfaction on customer loyalty towards MPT mobile service in Yangon. In this study, the analysis is performed using the SPSS software and is presented using linear regression results.

4.1 Customer Satisfaction towards MPT Mobile Service

The empirical data achieved from this research study reveals the customer satisfaction towards MPT mobile service is presented in Table 4.1.

Table (4.1) Customer Satisfaction

SN	Description	Mean	Standard Deviation
	Customer Satisfaction		
1	Being happy with MPT's overall service experience.	3.35	.922
2	Feeling pleasure with MPT voice service.	3.47	.895
3	Feeling pleasure with MPT data service.	3.38	1.013
4	Receiving better service than expected.	3.00	1.084
5	Feeling delighted with mobile service quality.	3.17	.933
	Overall Mean	3.27	

Source: Survey data (2019)

The results showed that voice service of MPT mobile phone had the highest satisfaction level ,3.47, among the questionnaires on customer satisfaction. The mean value of the questionnaire being happy with MPT's overall service experience towards customer satisfaction is 3.35. It shows that MPT mobile users agree upon the customer satisfaction on overall mobile service of MPT.

The respondents feel satisfied data service of MPT and had a positive attitude towards feeling pleasure with MPT data service. MPT data service can provide second most

satisfaction to respondents. When examining the question, receiving better service than expected, MPT revealed a mean neutral value, 3.00.

Overall, respondents' satisfaction towards MPT mobile service is 3.27 and it shows that they agree upon customer satisfaction. As per mean score to each statement, MPT mobile service users are satisfied with voice and data service of MPT. And then, there is a highest level of customer satisfaction on voice service.

4.2 Customer Loyalty towards MPT Mobile Service

The empirical data achieved from research study makes known the customer loyalty towards mobile service provider is explained in Table 4.2.

Table (4.2) Customer Loyalty

SN	Description	Mean	Standard Deviation
	Customer Loyalty		
1	Continuing to use MPT as a primary service provider.	3.40	.988
2	Recommending to use MPT mobile phone to other.	3.38	.945
3	Encouraging friends and relatives to use MPT mobile phone.	3.33	.991
4	Continuing to use MPT mobile phone.	3.37	1.078
5	Remaining as a subscriber of MPT mobile.	3.52	1.013
	Overall Mean	3.40	

Source: Survey data (2019).

With the results of the question concerning the remaining as a subscriber of MPT mobile, the respondents agree with mean value for MPT is 3.52 which is regarded as the highest agree value. Respondents agree on the question continuing to use MPT as a primary service provider with mean agreed value of 3.40 and it is second highest agreed value for customer loyalty.

All respondents agreed to the question referring to recommending to use MPT mobile phone to other. This showed a mean value as being 3.38 which was the third highest mean value. Regarding the price concern question, although the amounts of other mobile operator's price were cheaper, continuing to use MPT mobile phone, MPT received agree

levels with the value 3.37. It means that price is not influence factor on customer loyalty.MPT received lowest agree levels with the question, encouraging friends and relatives to use MPT mobile phone and the mean value is moderate value 3.33.

Therefore, the results illustrated in Table 4.2 revealed that MPT had the customer loyalty. Respondents tend to have willingness to recommend about MPT mobile service to their relatives, friends. The customers answered that they continue to use MPT mobile phone and remain as MPT customer.

4.3 Analysis on Effect of Customer Perceived Value on Customer Satisfaction

To analyze the effect of customer perceived value on customer satisfaction, linear regression model is applied for analyzing the data of 400 respondents. The linear regression analysis with the independent variables of customer perceived value and dependent variable of customer satisfaction is analyzed first. The linear relationship between the variables is shown in Table (4.3).

Table (4.3) The Effect of Customer Perceived Values on Customer Satisfaction

Independent Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	VIF
	B	Std. Error	Beta			
Constant	.488	.116		4.212	.000	
Outcome Quality	.328***	.058	.241	5.674	.000	3.097
Corporate Image	.364***	.049	.320	7.399	.000	3.213
Perceived Switching Cost	.419***	.038	.402	10.981	.000	2.304
R	0.877					
R Square	0.769					
Adjusted R Square	0.767					
Durbin-Watson	2.022					
F	439.753***					

Source: Survey Data (2019).

Note*** significant at 1% level, **significant at 5% level, * significant at 10% level

As shown in above Table (4.3), correlation coefficient R measures the linear

relationship between independent variables and dependent variable. According to above Table (4.3), R, the correlation between the Customer Perceived Value and Customer Satisfaction is 0.877 which lies between 0 and 1. It indicates that the level of Customer Satisfaction reported by respondents and the Customer Perceived Values are correlated. $R^2 = 0.769$ means that the linear relationship between variables is at 76.9%. The adjusted R^2 of the model is 0.767 and it shows that model is 77% fit with the study. The value of F test, the overall significance of the model, is highly significant at 1 unit level. This specified model can be said valid.

The standardized coefficient (Beta) of Perceived Switching Cost has the largest value (0.402). It indicates that the Perceived Switching Cost is the greatest contribution to effect on MPT mobile customer satisfaction. The Durbin-Watson = 2.022 (nearly 2), and thus, it is assumed that there is no auto correlation in sample. All VIFs (Variance Inflation Factor) of independent variables are less than 10. Hence, there is no problem of multicollinearity (correlation between independent variables) in this survey.

The significant value of all customer perceived values, Outcome Quality, Corporate Image and Perceived switching cost, show strong correlation with customer satisfaction at 99% confidence interval. The result indicates that Outcome Quality, Corporate Image and Perceived switching cost have positively significant effect on customer satisfaction.

Regarding with Outcome Quality, it has the expected positive sign and highly significant coefficient value at 1 percent level. The positive relationship indicates that the increase in Outcome Quality lead to the effect on customer satisfaction of MPT mobile service. The increase in Outcome Quality by 1 unit will also raise the effect on customers' satisfaction by 0.328 units.

Related with Corporate Image, the respondents of the study tend to have a positive perception on the corporate image of MPT in the Myanmar telecommunication market. MPT plays an important role in the society and having a good image in the minds of customers. Corporate Image variable also has the expected positive sign and highly significant coefficient value at 1 percent level. The positive relationship indicates that the increase in Corporate Image leads to the effect on customer satisfaction of MPT mobile customers. The increase in Corporate Image by 1 unit will also raise the effect on customer satisfaction by 0.364 units.

Regarding to the Table (4.3), the Perceived Switching Cost has the expected positive sign and significant coefficient variable at 1 percent level. The Standardized Coefficient (Beta) indicates that task significance has positive relationship with customer satisfaction of this study. The positive relationship means that the increase in Switching Cost supports to more customer satisfaction of MPT mobile users. The result shows that a unit increase in Switching Cost variable results in 0.419 increases in customer satisfaction of MPT mobile users. Moreover, the result indicates that the Perceived Switching Cost has the greatest contribution to the effect on customer satisfaction of MPT mobile phone users. Next to Perceived Switching Cost is the Corporate Image which also has contribution towards customer satisfaction. Outcome quality is also supportive to enhance the customer satisfaction of MPT mobile phone users.

4.4 Analysis on Effect of Customer Satisfaction on Customer Loyalty

In this study, single linear regression analysis is conducted to test the relationship between Customer Satisfaction and Customer Loyalty of MPT mobile phone users. The results are shown in Table (4.4). The results identified customer satisfaction is influencing customer loyalty with a positive direction. It inferred that positive customer satisfaction means greater for customer loyalty.

Table (4.4) The Effect of Customer Satisfaction on Customer Loyalty

Independent Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	VIF
	B	Std. Error	Beta			
Constant	0.515	0.091		5.681	0.000	
Customer Satisfaction	0.881***	0.027	.854	32.812	0.000	1.000
R				0.854		
R Square				0.730		
Adjusted R Square				0.729		
Durbin-Watson				2.008		
F				1076.618***		

Source: Survey data (2019).

Note*** significant at 1% level, **significant at 5% level, * significant at 10% level

The specified model could explain very well about the variation of the customer loyalty of the respondents since the value of R^2 is about 73 percent. The model can indicate 73 percent about the variance of the independent variable (customer satisfaction) and dependent variable (customer loyalty) for MPT because Adjusted R square is 0.729. The value of F test, the overall significance of the model, is highly significant at 1 percent level. This specified model can be said valid. It means that the customer loyalty towards MPT mobile phone service is highly influenced by customer satisfaction with MPT mobile phone services.

Customer satisfaction variable has the expected positive sign and highly significant coefficient value at 1 percent level. The positive relationship indicates that the increase in customer satisfaction lead to the effect on customer loyalty of MPT mobile phone service. The increase in customer satisfaction by 1 unit also raise the effect on customer loyalty by 0.881 units.

The standardized coefficient (Beta) of customer satisfaction has the value, .854, indicating that customer satisfaction has the contribution to increase the customer loyalty of MPT mobile phone users. The overall evaluation reveals that the study explains the customer loyalty stage well because the estimation produces expected signs and significant coefficients for customer satisfaction. The increases of customer satisfaction have the positive effects on customer loyalty to MPT mobile phone service.

According to survey findings, the perceived switching cost has the greatest influence on customer satisfaction of MPT mobile phone users. It is sure that most of MPT mobile phone users don't want to switch to other operators and remain as a subscriber of MPT mobile service. They continue to use MPT mobile phone even though other licensed operators provide mobile phone service.

CHAPTER 5

CONCLUSION

This chapter consists of the effect of customer perceived value on customer satisfaction, how it is related with customer loyalty towards MPT mobile services throughout this study. The findings and discussion can be found in this last chapter. In addition, recommendations and suggestions are taken account along with the proposed improvement in further studies. The final section focuses on research limitations and future research directions.

5.1 Findings and Discussions

With over 23 million users, MPT is the first and largest telecommunications company in Myanmar. It offers fixed and mobile telecommunications services for individuals and businesses in Myanmar. This study is intended to analyze two major assumptions. The first assumption is that the customer perceived values such as outcome quality, corporate image and switching cost would impact on customer satisfaction of MPT mobile service. The second assumption is that customer satisfaction would lead to customer loyalty towards MPT mobile service. This study is perfectly done by collecting structured questionnaires to 400 customers who used MPT mobile service in Yangon area. In addition, Likert scale method is used to examine influencing factor on mobile service of MPT among MPT mobile service users. Descriptive research method and quantitative method are conducted in this study. To analyze the data, simple statistical method (mean calculations) and Linear Regression analysis are practiced. Personal interview method using questionnaire is applied to collect data from respondents. The main conclusion of this study is that customer perceived values such as outcome quality, corporate image and switching cost which have positive impacts on customer satisfaction which in tum lead to customer loyalty. Customer satisfaction and loyalty can be developed from customer perceived values such as good outcome quality, good corporate image and higher switching cost.

The results of customer perceived value from this study are set up by Likert scale, the perception of respondents has an agree level in outcome quality such as network quality,

billing system, waiting time, reliability and privacy. In the study of outcome quality, billing system is the most crucial in measuring customers perception of outcome quality in this research. Among outcome qualities, MPT mobile phone users rated at agree level related with privacy of MPT mobile phone users. Noticeably, respondents enjoyed the loud and clear voice quality of MPT mobile service and good coverage in mobile network. Concerning with reliability, respondents considered that MPT realizes its customer commitments and continually delivers different kinds of services. MPT also keeps promise in delivering the services and guarantee is good. For waiting time, the respondents reached agree level regarding with MPT call center solves the customer complaints quickly. Moreover, the respondents agree regarding MPT call center's prompt response and taking care to customer's waiting time.

According to analysis result, the respondents confirmed that MPT is innovative and forward looking and plays important role in the society. Respondents agree that they always have a good impression of MPT and MPT has a good image in their minds as well. Respondents also believe that the services they received from MPT are good comparing to what they give up such as money and time. Therefore, it can be considered that MPT has good corporate image in the Myanmar telecommunication market. Corporate image also appeared to be an important factor influencing customer loyalty on MPT mobile service.

The finding from the study of perceived switching cost, MPT mobile phone users in Yangon are not sure if other mobile operators will provide better service than MPT and can provide same service as MPT as well. They are unsure if the charging rate from the new mobile operators is better for them. Moreover, they worry about the service offered by new mobile operator may not work as well as MPT if they switch to new mobile operator. In summary, they want to remain as MPT subscriber considering money, time, energy, effort and relations and don't wish for switching to a new mobile service provider.

Among the three customer perceived values, it is found that MPT mobile service is more emphasizing on its' corporate image which means it is focusing more on the intangible asset such as goodwill. On the other hand, outcome quality score takes second place and higher than that of customer perceived switching cost. It shows that MPT should raise quality of service related with outcome quality like network quality, billing system, waiting time, reliability and privacy and observe how to keep customer retention and loyalty too.

Overall customer satisfaction, the analysis found that MPT customers are happy with their overall service experience of MPT. They also satisfied with the decision for using voice service and data service of MPT. However, the respondents just agree that MPT mobile phone service is better than expected. Overall, they feel delighted with the quality of mobile service offered by MPT.

Concerning with customer loyalty, the result shows that majority of respondents will continue to use MPT mobile phone service as a primary service provider although the other mobile operator's price were cheaper. They also recommend for using MPT to anyone who seeks the advice. Accordingly, loyal customers are probably to spread positive word of mouth about MPT referring for using to relatives and friends. Therefore, to endorse word-of-mouth referrals, the provider needs to focus on positive customer experiences. According to the findings, MPT customers don't desire to switch to other mobile service providers even though they have choices.

The first part of the study explores the relationship between customer perceived value and customer satisfaction on MPT mobile service. The study of customer perceived value consists of three elements: different elements have different effect to customer satisfaction. The outcome quality, corporate image and perceived switching cost have positive relationship with customer satisfaction for MPT. Thus, the regression results show that perceived switching cost has the highest contribution towards the level of customer satisfaction of MPT mobile phone users. Next to perceived switching cost is the corporate image, which has significant and direct positive effect on customer satisfaction. Furthermore, outcome quality is also providing encouragement to increase customer satisfaction of MPT mobile phone users.

The second part of the study analyzes the relationship between customer satisfaction and customer loyalty towards MPT mobile phone service. The study discovers that customer satisfaction is significantly and positively related to the customer loyalty. Moreover, the results show that there is a strong positive relationship between customer satisfaction and customer loyalty towards MPT mobile service. It has been confirmed that customer perceived values have the effect on customer satisfaction and customer loyalty in this study.

5.2 Suggestions and Recommendations

The main objective of the study is to explore the most important factors of the customer perceived value that affect customer loyalty, in order to determine the appropriate marketing plan in MPT. The customer perceived values such as good outcome quality, good corporate image and higher switching cost affect customer satisfaction resulting in loyalty and brings good reputation for the MPT mobile service. Increasing good customer perceived values boost customer satisfaction which in turn become a factor of loyalty.

Regarding with customers' perception towards MPT mobile service, MPT also need to update important aspects of billing system to be transparency in billing, understandable invoice and convenient payment of invoice. In addition, Privacy concerns of customer are also important for customer satisfaction and MPT must protect its' customers' personal information by ensuring that MPT has high technology security system. MPT should enhance outcome quality such as network quality, mobile radio network coverage area, voice call clarity, high internet speed access. By offering good voice and data network quality can help MPT in encouraging committed behaviors among customers which are another requisite of customer loyalty. Reliability of service is important indicator in measuring customers' perception of outcome quality as well. MPT should deliver mobile phone related services as committed, promised and guaranteed to get customer satisfaction. The specifically important is MPT needs to reduce the waiting time in solving customer complaint.

Therefore, MPT require further improvement in customer care service such as staffs' ability to solve customers' complaints to maintain for customer satisfaction. Customer satisfaction implies developing, enhancing and maintaining customer relationships, remain MPT as a priority mobile service provider. Additionally, MPT should have better training for employees to be able to answer customer inquiries effectively.

Corporate image is extremely important for mobile service provider and it influence on customers' perception turn into customer satisfaction. To be good corporate image, all four offices in MPT, CTO, CFO, CCO and COO and each division should accomplish their responsibilities efficiently and effectively. Increasing switching costs is a strategic advantage for telecommunication operators. To increase switching cost, MPT should provide a price-comparison tool for MPT mobile service users in order to make it easier to compare complex service package offers of other telecommunication providers.

Lastly, the study reveals that the customer perceived values such as outcome quality, corporate image and switching costs are significant determinant of the customer satisfaction. Good outcome quality, good corporate image and higher switching costs also leads to increase commitment from the customer. Therefore, it is recommended that MPT should develop functional strategies to enhances the feeling of association, developing long-term relationship with the customers.

Overall customer satisfaction, MPT customers are moderately satisfied with the aspect of MPT mobile phone service is better than their expected. Therefore, MPT should emphasize to improve voice and data service quality in order to maintain as the leading mobile telecom service provide in Myanmar.

Regarding with customer loyalty, majority of respondents recommend using MPT to anyone who seeks their advice. Therefore, loyal customers are more likely to spread a good word about MPT mobile service, also referring to friends and relatives. Thus, to stimulate word of mouth referrals, the MPT needs to focus on the positive customer impression. According the findings, MPT mobile phone users can't switch easily to other mobile service providers. The great way to foster a loyal customer is that MPT should cultivate a loyalty program such as loyalty bonuses and discounts, special pricing and seasonal gifts because the large number of customers are holding at least two providers' mobile phone numbers.

5.3 Needs for Further Research

This study has emphasized on evaluating three kinds of customer perceived values affecting customer loyalty of MPT mobile service in Myanmar. This study has collected data of 400 respondents only from MPT mobile phone customers in Yangon. Thus, it would have the impact on the accuracy of research and cannot be entitle for the total perception of the whole Myanmar MPT mobile customers. There are other factors that can influence customer loyalty apart from these customer perceived values in this research such as: customer behavior of data package, trust and voice and data service quality, etc. are not researched in this study.

One of the prominent limitations is lack of enthusiasm in answering the questionnaires by some respondents. Occasionally, the respondents are in a rush manner, so some are not carefully answered. Therefore, some answers may be different from the

reality in terms of the customers' perception on agree level of customer perceived values, satisfaction and loyalty.

This study only concentrated on MPT mobile phone users in Yangon, Myanmar, and does not include any other cities in Myanmar. In the future, more cities should be contained such as Mandalay, Mawlamyaing, Monywa and Nay Pyi Taw. Adding more cities, can improve on the data collection in terms of the more variables related with customer satisfaction and customer loyalty in using MPT mobile service. Though this study only surveys the individual customer, the future research should pay more attention on business-to-business customers in Yangon. Further research could be how customer personality effect on the relationship between data service package and customer loyalty.

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APPENDIX I

Questionnaire for MPT mobile phone service Customers

Yangon University of Economics

Master of Business Administration Programme

Online MBA

This questionnaire is prepared by Win Le Oo, who is Master of Business Administration student at Yangon University of Economics. The purpose of this questionnaire is to gather data in order to study Customer perceived value and customer loyalty towards MPT mobile service. Please co-operate by filling the questionnaire, because your genuine, frank and on time response is vital for the success of my study. Besides, the data gathered by this questionnaire is purely for academic purpose and your response will be secured anonymously. Thus, I kindly request you to respond each item carefully.

Please note that:

1. No need of writing your name.
2. Please fill the answer by putting “√” mark.
3. Please give more attention and return the completed as fast as possible.
4. If you need further explanation, you can contact me on through the address sown below.

Win Le Oo

Phone :09 5100061

E-mail: mptwinleoo@gmail.com

Thank you in advance, for your cooperation

Survey for Customer perceived value and customer loyalty towards MPT mobile service

Part 1: Demographic Characteristics of Respondents

1. Gender

- Male Female

2. Age

- Less than or equal 20 years old 21-30 years old
 31-40 years old 41-50 years old
 51 years old and above

3. Education Qualification

- Primary School Middle School
 High School Bachelor Degree
 Master Degree and higher

4. Occupation

- Student Private Employee
 Own business Public Employee
 Retired Other (Please specify).....

5. Monthly income (in Kyats)

Less than 100,000

100,001 ~ 200,000

200,001 ~ 400,000

400,001 ~ 500,000

500,001 ~ 1,000,000

More 1,000,000

6. In which district or township of Yangon do you live at the moment?

Eastern District

Western District

Southern District

Northern District

Township.....

Part 2: Please check the degree that best describe you are agree or disagree with the statements of perceived values in the following, based on MPT mobile service. Please tick (√) one of the boxes that best fits your level of agreement with each statement. There is no right or wrong answer. What you think is the most important.

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

Outcome Quality of MPT					
	1	2	3	4	5
Network Quality					
1. The other person's voice is loud and clear during phone conversation.					
2. MPT mobile network coverage is Good in Yangon.					
3. The call quality of MPT mobile phone is always good.					
Billing System					
1. MPT provides accurate billing.					
2. The invoice is clear and easy to understand.					
3. Payment of the invoice is convenient.					
Waiting Time					
1. Problems such as poor network quality or customer complaints are solved quickly with simple procedures.					
2. MPT call center (106) always responds promptly to my requests.					
3. MPT knows that waiting time is important to me.					

Reliability					
1. MPT fulfils its customer commitments.					
2. MPT continually delivers its services at the time it promises to do so.					
3. MPT's guarantee is excellent.					
Privacy					
1. No one can check customer's personal information that is associated with MPT's services except the owner.					
2. MPT protects subscriber's private information.					
3. MPT knows that customer's privacy is important.					
Overall					
1. It is always a good experience to use the services of MPT.					
2. Receiving the desired outcome by using the services of MPT.					
3. Overall, feeling that MPT's services and goods are valuable.					
Corporate Image					
	1	2	3	4	5
1. MPT is innovative and forward-looking					
2. MPT plays an important role in society					
3. Always having a good impression of MPT.					
4. MPT has a good image in the minds of consumers.					
5. Compared to what customer has to give up, such as money, time, and effort, the services that customer receive from MPT are excellent.					
6. Overall, considering that MPT has a positive image in the marketplace.					

Perceived Switching Costs					
	1	2	3	4	5
1. It is not sure if other mobile operators will provide better service than MPT.					
2. It is unsure if other operators can provide the same services as MPT.					
3. It is not sure if the billing from a new mobile operator will be better for user.					
4. Switching to a new mobile communication provider, will be concerned that the services offered by the new mobile communication provider may not work as well as MPT's services.					
5. The services that user receive from MPT provide value for money.					
6. Want to remain as a subscriber of MPT rather than switch to a new mobile communication provider when considering money, time, energy, effort, and relations					
7. Overall, it is not worthwhile to switch to a new mobile communication provider.					
Customer Satisfaction					
	1	2	3	4	5
1. In general, customer is very happy with my overall service experience.					
2. Feeling pleasure with making decision to use the voice service of MPT mobile phone.					
3. Feeling pleasure with making decision to use the data service of MPT mobile phone.					
4. MPT mobile phone service is better than expected.					
5. Overall, Feeling delighted with the quality of service offered by MPT mobile service					

Customer Loyalty					
	1	2	3	4	5
1. Continuing to use MPT mobile phone service provider as a primary service provider.					
2. Recommend MPT mobile phone to anyone who seeks advice.					
3. Encouraging friends and relatives to use MPT mobile phone.					
4. Although the other mobile operators' price were cheaper, continuing to use MPT mobile phone.					
5. Overall, given the other choices of mobile service provider, remaining as a subscriber of MPT mobile.					

APPENDIX II

Regression Analysis Model 1: Relation between Customer Perceived Value and Customer Satisfaction

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.877 ^a	.769	.767	.40590	2.022

a. Predictors:(Constant), Perceived Switching Cost Mean, Outcome Quality Mean, Corporate Image Mean

b. Dependent Variable: Customer Satisfaction Mean

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	217.356	3	72.452	439.753	.000 ^b
Residual	65.243	396	.165		
Total	282.599	399			

a. Dependent Variable: Customer Satisfaction Mean

b. Predictors:(Constant), Perceived Switching Cost Mean, Outcome Quality Mean, Corporate Image Mean

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficient	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	.488	.116		4.212	.000		
Outcome Quality Mean	.328	.058	.241	5.674	.000	.323	3.097
Corporate Image Mean	.364	.049	.320	7.399	.000	.311	3.213
Perceived Switching Cost Mean	.419	.038	.402	10.981	.000	.434	2.304

a. Dependent Variable: Customer Satisfaction Mean

Regression Analysis Model 2: Relation between Customer Satisfaction and Customer Loyalty

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.854 ^a	.730	.729	.45138	2.008

a. Predictors:(Constant), Customer Satisfaction Mean

b. Dependent Variable: Customer Loyalty Mean

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	219.351	1	219.351	1076.618	.000 ^b
Residual	81.089	398	.204		
Total	300.440	399			

a. Dependent Variable: Customer Loyalty Mean

b. Predictors:(Constant), Customer Satisfaction Mean

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1(Constant)							
Customer Satisfaction Mean	.515	.091		5.681	.000		
	.881	.027	.854	32.812	.000	1.000	1.000

a. Dependent Variable: Customer Loyalty Mean