

# Does Customer Satisfaction Mediate the Relationship of Corporate Values and Price with Customer Loyalty?

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## ABSTRACT

The goal of the current work is to inspect the price and corporate value's impact on the customer loyalty in the Malaysian telecommunication companies. Another purpose of the existing study is to examine the mediating role of customer satisfaction among the nexus of price and corporate value and customer loyalty. Over the past decade companies have pointed to the ability to manage their telecommunication services supply, particularly given the expanding and changing nature of the telecommunication services market. Detailed case research into major telecommunication arrangements must be found that investigate the marketing relationship dimension that exists between the customers and telecommunication service providers as it is critical and complex to understand.

**Keywords:** price, corporate values, customer satisfaction, customer loyalty.

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## INTRODUCTION

The growth of fixed-line internet usage is still growing in demand, whilst mobile internet and mobile data are expected to overtake fixed line usage in 2014. Within a decade mobile phone use has become vital and a central part of people's daily life. Many people are using mobile devices such as Smartphones and tablet computers equipped with high speed internet access that make people's lives easier, as well as offering new data collection opportunities. The International Telecommunication Union Reports (2011) suggested that smartphone mobile data is the most popular choice, with almost six billion mobile phone data packets subscribed to worldwide. In South Korea, The Korean Communications Commissions (2011) stated that in November 2009 there were 470,000 smartphone subscribers and it reported that by October 2011, just after the release of the iPhone into the Korean market, a significant growth to over 20 million subscribers using smartphones had taken place; this shows a dramatic increase in usage of smartphones in Korea (Ahmad, Jun, Khan, Abdullah, & Ghauri, 2016).

Growth of smartphone usage also significantly affects the increases in social networking services (SNS) such as twitter, Facebook and Instagram. Past studies found that the Korean's twitter visitors had increased from 606,887 in November 2009 to 4,342,569 by July 2010 and has increased by more than 700%.

**Table 1: Cellular phone penetrations rate per 100 inhabitants by states.**

State	2011	2012
Johor	128.5	128.7
Kedah	116.4	118.8
Kelantan	103.3	107.8
Melaka	182.3	143.6
Negeri Sembilan	158.4	144.7
Pahang	91.7	134.8
Perak	119.7	114.6
Perlis	124.6	139.6
Pulau Pinang	123.9	142.3
Selangor <sup>a</sup>	145.4	154.4
Terengganu	125.3	132.6
Sabah <sup>b</sup>	88.8	87.6
Sarawak	94.8	105.7
W. P. Kuala Lumpur	229.0	203.5
W.P. Labuan		120.6
W.P. Putrajaya		87.0

Table 1 above shows that in 2012 there are three states achieving higher mobile phone penetration compared to the others; these are Kuala Lumpur standing at 203.5 per cent of the state's population; secondly Selangor at 154.4 per cent; thirdly at 143.6 per cent was Negeri Sembilan. The lowest penetration is Sabah, scoring only 87.6 per cent. In 2009, the usage of mobile phones was not significant due to the low awareness in regards the usage of mobile phones, low coverage, low entertainment, less enjoyable services and the pricing for phones and line rental being tentatively high.

The result has been that competition between mobile providers is now increasing, the proof being; the reduction in the price of a smartphone; price reductions for data packages; reductions in monthly commitment fees for post-paid customers; free airtime loaded for prepaid customers; cheaper call rate packages and SMS tariffs. This competition ultimately benefits the customers in terms of higher quality of services being delivered. Mobile telecommunication service providers have also been actively increasing the coverage and quality of their networks; whilst there has been a rise in the introduction of initiatives to better manage relationships with customers (Mohamad, Ab Yazid, Khatibi, & Azam, 2017; Nguyen et al., 2019; Nikhashemi et al., 2013; Pathiratne et al., 2018; Seneviratne et al., 2019; Tarofder et al., 2019).

Over the past ten years the telecommunication market in Malaysia has evolved to a more open and competitive market; this is in contrast to the previously centralized telecommunication monopoly. There are more telecommunication companies issued with 3G/4G licenses, as well as new MVNO (Mobile Virtual Network Operator) companies coming to the market. These developments have meant that there are many changes on how the business operates in terms of better functionality and fundamentals to serve or attract the subscribers. In order to build greater competitive advantage, customer retention and acquisitions in this increasingly competitive environment in the Malaysian telecommunication industry, there has been an increase in emphasis given to improve customer value, customer loyalty and customer acceptance of the services provided (Abdullah, Hamir, Nor, Krishnaswamy, & Rostum, 2018). There are three dominant telecommunication corporations in Malaysia namely; Telekom Malaysia (with the subsidiary Celcom), Maxis Communication and DiGi who have penetrated the entire Malaysian market. Thus the following information about these three companies is important to aid the further understanding of the local telecommunication competition status.

Maxis Bhd is a Malaysian, non bumiputra, locally owned mobile telecommunication service provider and is currently the largest telecom service provider, having the highest volume of subscribers with a 38.90% market share, making it the mobile telecommunication leader among the biggest three telecommunication providers in Malaysia. The company was formed in 1995 as a private limited ownership business; in 2002 it became listed on the Kuala Lumpur stock exchange (KLSE); however in 2007 it returned to being a private limited ownership business. It has the same strategy as Celcom; the company has diluted its business in India and Indonesia.

Maxis are also part of the telecommunication operators awarded the third generation (3G) W-CDMA license and 4G LTE. LTE is a 4G wireless standard communication developed by the 3rd generation Partnership Project (3GPP), which is specially designed for fast speed, up to 10 times that of the 3G network speed, for mobile devices such as netbooks, smartphones, notebooks, wireless hotspots and tablet usage. The services offered by Maxis are pre-paid call plans, postpaid monthly subscription, MMS, WAP, global roaming, broadband internet plans, 3G and residential fixed line services. Another service offered by Maxis is "Satellite based communication" called VSAT and a BlackBerry wireless internet connection plan is offered as a special plan. Of the various services offered by Maxis, the most popular and in highest demand is the pre-paid service with more than 6.3 million customers in Malaysia (Hussein, Hapsari, & Yulianti, 2018).

**Table 2: Postpaid & Prepaid ARPU (RM) 2010 -2012.**

Telecommunication provider	Post paid ARP U 2010	Post paid ARP U 2011	Post paid ARP U 2012	Pre paid ARP U 2010	Pre paid ARP U 2011	Pre paid ARP U 2012
Celcom	92	94	94	36	36	39
Digi	83	84	84	46	43	41

Maxis	104	108	107	36	36	37
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Currently Maxis show increased and strong mobile data growth, driven from the year of 2010, largely contributed to by the pre-paid and postpaid plans. This seems to be an initial step by Maxis to further enhance its mobile internet data package, as well as its broadband business which also helps in driving data revenue from the 3G segment plan. Another action completed by Maxis, based on its expertise in improving the data package target segment, was to enhance the faster access to content such as gaming, downloading, viewing movies and transferring data in order to gain a stronger take up rate in 3G services.

DiGi is the only foreign corporation that has been given a license by the government to operate a telecommunication company in Malaysia. DiGi originates from Norway and 61 percent of its stake is owned by the Telenor Telecommunication Company; transferring technology to Malaysia, Telenor brought in expertise, experience and products to the local market. Table 1.3, shows that DiGi serves 27.73 percent of the Malaysian mobile market and it takes aggressive actions to maintain its services. The services offered by DiGi are extremely limited due to license limitations, especially in the offering of data packages. This means DiGi focuses more on voice services and SMS instead of the 3G broadband services. DiGi has been put under high pressure because without a 3G license they are excluded from competing in the 'Maxis and Celcom battle.' DiGi is also at a great disadvantage due to rules and regulations, and political intervention meaning it has a significant barrier to its growth potential (Shahid Iqbal, Ul Hassan, & Habibah, 2018).

In order to deliver competition to Maxis and Celcom, DiGi creates some movement by expanding their variety of communication plans; including prepaid and postpaid plans, data plans, SMS, international roaming, WAP services and international calling cards. The company increases its position in this competitive environment by creating a strong subscriber base which is driven by innovative products that are well received by customers. Today, the new government foreign policy has reduced foreign ownership in corporations, this means DiGi reshuffling their share to 49 percent to comply with this new policy. Finally after a decade, DiGi has contracted into an agreement with TimedotCom to exchange the 3G spectrum from a local infrastructure provider.

The changes in customers uncertainty avoidance has resulted in the decline of brand label strategy. The new phenomenon is the relationship marketing approach. Past studies identify that relationship marketing is an important approach in seeking customer loyalty. The majority of researchers have now focused on this element of the general mechanics applied to influencing the image and awareness of brands and the streamlining of added value in services that lead to the creation of customers' positive experiences. Previous studies have been completed in a qualitative manner, therefore this study will be focusing on quantitative research since it is addressing a business problem that is concerned with the theory and framework model; this study further investigates the understanding of the characters of service quality by undertaking quantitative analysis. The study seeks to bridge the identified gap by providing insight into the customer's point of view and the key factors of influence (Al-Msallam & Alhaddad, 2016).

## LITERATURE REVIEW

Price is an important factor for many customers when considering satisfaction. Price can be determined as a monetary value to be paid in exchange for a certain product with energy, effort and time. Past studies identifies price as exchanging value in terms of currency to be sacrificed in order to obtain products or services. Generally, the price means the total amount to be paid in exchange for getting the particular product or service. Both price and value are associated with each other in translating peoples social cognitive in examining of consumer behavior or perceived value (Yuen, Wang, Wong, & Zhou, 2018).

Past studies explained in their study that perceived value is similar to the attitude that explains social cognitive in motivated customers. Past studies explained that value has separate dimensions from cost or price and both of them are associated with quality and perceived price, whereas many researchers state combined value is explained as money or price. Past studies argues that price is a monetary attribute of low level in multi-attribute models, when actually price is a component of give in the model not a get component (Ali, Danish, & Asrar-ul-Haq, 2020).

Past studies identifies that attention to price is more sensitive to services and durable goods; but other factors such as complexity, lack of price confirmation and processing time might interface with price knowledge accuracy. Past studies study supported the relationship between perceived price and objectives, which indicate that price awareness is different among demographic backgrounds. Furthermore, the gap between perceived price and actual price dispersion is linked to the tendency of assuming that the same product that has a different price across the store has a high price variance (Mahmoud, Hinson, & Adika, 2018).

The previous researchers found that odd pricing psychological has been a marketplace strategy. The predominant odd pricing uses number digit ending combinations such as "99", "95" and "00" in the ending price. The ending price with "00" was considered as expensive, high value, upscale and high quality but the use of ".99" and ".95" tends to be considered low price in building price perception when building value image (Nagle, 2011). The round up figure will increase the inner domain in expected perception; demand and the probability of purchases are positioned at the optimum correct positioning. Past studies supported the concept that odd price is the charm price, magic price, irrational and intuitive price of rule of thumb that is not actually related to any economic theory or mathematical calculations. Ending a price with the odd pricing strategy is commonly used by most commercial traders and is generally accepted by customers in developing inner domain perception as cheap in price, even if there are no value differences in actual pricing. Furthermore, past studies found that 64 percent of prices in the United Kingdom ended in the 9 digit and past studies said that the same trend applies in Western economies (Nyadzayo & Khajehzadeh, 2016).

Corporate value is a new concept of value that is a discursive representation of control that is based on organization principles or cultural cornerstones that can be used to define how members react on behavior questions, should be within range of what the organization

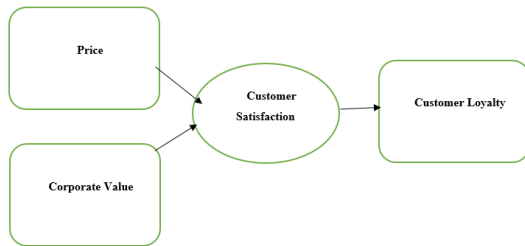
believe and an adherence to integrity acts as a commitment to engage in economic calculations. Predetermined script of acceptable behavior is known as share value, this seems to be something that creates limitation and boundaries in individual behavior in a particular organization. Corporate value has two important objectives; to acquire a favorable image and reputation (Jiang, Jun, & Yang, 2016). These two broad objectives have to bring stakeholders confident in a company's product and service, employee relationships, to trade with corporate customers, stock purchasing by shareholders, to provide sympathetic legal frameworks by government and to communicate well the organization through local media and communities. Past studies claims there are more advantages if the company has been committed and pays attention to a favorable corporate value by concentrating on corporate image and reputation (Wang, 2018).

Having a full and strong, favorable corporate value that distinguishes the company from direct or indirect competition involved in the commercial environment will strengthen company marketing; resulting in a company's consistency in market demand, higher financial demand, good personnel, protection from competitors and financial rewards (Hussain, Musa, & Omran, 2019). Companies that are better at managing corporate values in the eyes of customers will be the most prepared if drastic external forces affect the market. In this research, customer satisfaction is an important element that needs to be measured, encouraging the concept of customer satisfaction towards customer loyalty in hypermarkets (Hussain, Musa, & Omran, 2018). There are many reasons and criteria that lead to customer satisfaction, such as; sales staff, customer service staff, maintenance staff, cashiers and management of the hypermarket, which results in quality administration (Angulo-Ruiz, Donthu, Prior, & Rialp, 2018).

Past studies identified customer loyalty as a customer who maintains a positive behavior towards the service provider. Thus customer loyalty can be identified as a concept of customer focus that intensively builds a relationship that creates customer trust and positive behavior. However it is difficult to describe because loyalty exists when they are conscious and alert about a certain product, leading the individual to perceive differently towards a particular product or service. Past studies in their study found in the hotel industry that the intention to book into a hotel was based on experience and service quality and was due to a positive relationship between customer loyalty and customer satisfaction (Yuen, Thai, & Wong, 2016). Past studies describes commitment as an essential mediator in developing customer loyalty. Furthermore Past studies explains that commitment consist of two factors; calculative commitment and affective. Calculating commitment is a situation where there is a desire to retain a good relation between both parties in avoiding high switching cost. Affective is the situation of insight desire of a continued relationship that has been built up between the company and a customer, in which the customer has taken active acceptance of the company (Hussain, Mosa, & Omran, 2017). Past studies identified trust as the advantage received by a customer due to the long term relationship experiences exchanged with an organization. Past studies identified the precursor of commitment is trust that then leads to customer loyalty creation. Thus it can be summarized that customer loyalty

is a significant business role model. A company is able to maximize profitability if they completely understand the customer and customer's feel they are appreciated; leading customers to refrain from competitor comparisons and this reduces the likelihood of them switching to another supplier (Hussain, Mosa, & Omran, 2018).

**Hypotheses Development**



**Figure 1: Model**

Based on the conceptual model of this study (as shown above in figure 1), the hypotheses are developed and presented below:

- H1: There is a positive nexus among the price and customer satisfaction
- H2: There is a positive nexus among the corporate value and customer satisfaction
- H3: There is a positive nexus among the customer satisfaction and customer loyalty

**METHODS**

Questionnaires for respondents to complete were personally distributed via e-mail and the website surveymonkey.com. The data was collected over a period of two months. The prospect respondents are among the researcher's friends. The researcher also emailed respondents so that they would answer and email back the questionnaire as soon as possible. The questionnaire was developed as follows; Section A consists of the items that captured general information about the respondents such as gender, age, race, level of education, employment status, income per month, type of phone, how much they were willing to spend every month, important consideration when purchasing a phone, the mobile data package per month, the data package used per month and preferred application within the mobile phone.

Part A is about the demographic analysis; parts B to G consisted of the customer's loyalty regarding their ability and willingness to perform their services. From these sections the researcher analyzed and predicted the customer loyalty level towards the telecommunication provider.

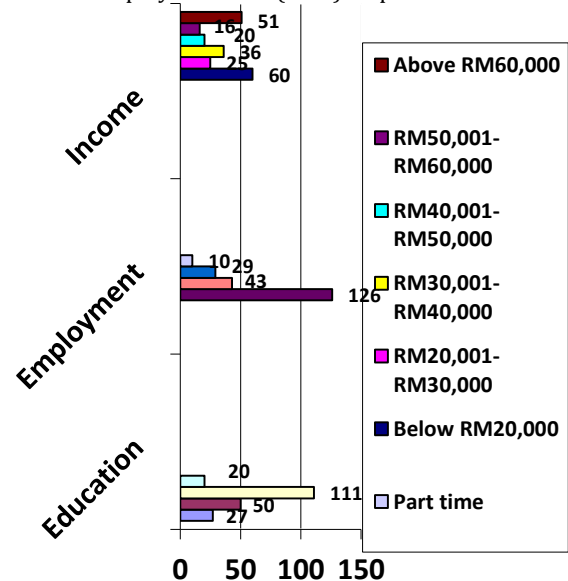
**Table 3: Summary of the Questionnaire Design.**

Variables	No of Items	Questions No.
<b>Section A:</b>		
Gender	1	1
Age	1	2
Race	1	3
Education	1	4
Employment	1	5
Income	1	6
Type of phone	1	7
How much willing to spend	1	8
What is considered important when choosing phone	1	9
Data package per month	1	10
Mobile data capacity per month	1	11
What is your Telco provider?	1	12
What is your current Telco plan?	1	13
What application do you prefer to use on your phone?4	14 to 17	
<b>Section B</b>		
Price	4	26 to 29
<b>Section C</b>		
Corporate value	4	30 to 33
<b>Section D</b>		
Customer satisfaction	4	34 to 37
<b>Section E</b>		
Customer loyalty	4	38 to 41

**ANALYSIS**

**Findings**

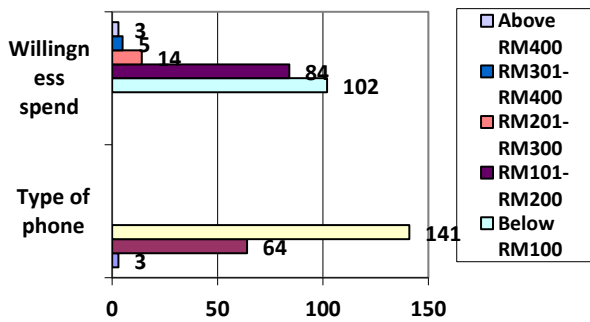
In Figure 2 below the respondent's highest education level is the bachelor degree holder with 111 (53.4%) respondents, second was the diploma holder with 50 (24%) respondents, third was the school certificate holders with 27 (13%) respondents and finally were the Master/PhD holder with 20 (9.6%) respondents. Main employment was dominated by the full-time employment group with 126 (60.6%) respondents, the not employed group was 43 (20.7%) respondents, the self-employed group had 29 (13.9%) respondents and the part-time employed had 10 (10%) respondents.



**Figure 2: Education level, employment status and income level of respondents**

In respect of annual income, the majority earned a yearly income below RM20,000 with 60 (28.9%) respondents, second by income was those in the more than RM60,000 range with 51 (24.5%) respondents, third were I the range between RM30,001 to RM40,000 with 36 (17.3%) respondents, fourth was the income range of RM20,001 to RM30,000 with 25 (12%) , the fifth income level was

RM40,001 to RM50,000 with 20 (9.6%) 20 respondents and finally the income range of RM50,001 to RM60,000 with 16 (7.7%)16 respondents.



**Figure 3: Types of phone and willingness to spend by the respondents**

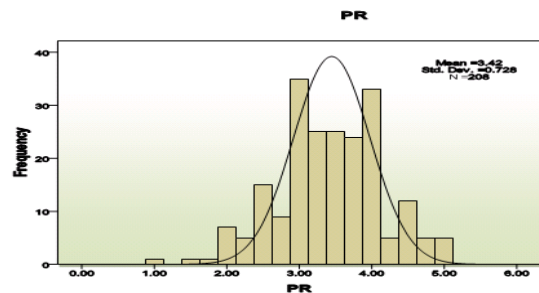
Figure 3 above shows the types of phones respondent's had and are categorized under three categories. The largest type of phone held by respondents is a 4G phone with LTE with 141 (67.8%) respondents, second is the 3G phone with 64 (30.8%) respondents and the 2G phone only had 3 (1.4%) respondents. The respondent's willingness to spend per month bill is divided into five categories; the highest score is below RM100 with 120 (49%) 102 respondents, respondent's willingness to bill spend in the range from RM101 to RM200 was 84 (40.4%) respondents, thirdly the bill range of between RM201 to RM300 was 14 (6.8%) respondents, followed by the bill range of RM301 to RM400 was 5 (2.4%) respondents and finally the bill range above RM400 was 3 (1.4%) respondents.

In questionnaires the respondents were questioned about their preferred application inside their mobile phone; each of the questions being ranked according to their preference, being defined as; lowest priority, low priority, medium priority, high priority and highest priority towards the application in the mobile phone. In table 4.2 above, the respondent's usage of phone application are divided into four categories; messaging applications, video applications, social network applications and browser applications. For phone messaging applications usage the majority of respondents selected medium usage with 89 (42.8%) respondents; the majority of respondents felt that messaging system applications were important and 77 (37%) of respondents think that messaging applications are the highest priority application for them when using their mobile phone. Only 20 (9.6%) respondents selected the lowest priority, 18 (8.7%) respondents chose high priority and 4 respondents (1.9%) chose low priority messaging applications.

Video application used by the respondents was in the medium usage range with 97 (46.6%) respondents, showing that for respondents the use of video applications is a medium priority and 48 (23.1%) of respondents chose the highest priority for surfing video applications when using their mobile phone. For surfing social networking applications through their mobile phone, the respondents felt this to be of the highest priority with 114 (54.8%) respondents, as they bought the mobile phone to access the social networking applications such as Facebook or twitter; with 72 (34.6%) respondents choosing the medium priority for this use of their mobile phone. Finally, the browser applications in mobile phones showed that the majority of respondents scored the highest priority

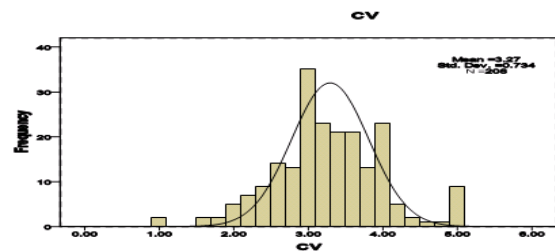
with 106 (51%) respondents feeling that this function to be the most important factor for them to surf the mobile internet; whilst 86 (41.3%) respondents opted for the medium priority within browser applications for their mobile phone.

It was found that this element was a "moderate satisfied" variable with the mean of 3.42. The majority of respondent's agreed that the price is a factor in order for people to obtain satisfaction. It was indicated that the respondents were of the opinion that the price was really supportive in enhancing customer satisfaction. However, there are a few respondents that answered the question as "strongly disagree" and "disagree" because for them the price is not an issue, this especially applies to high income customers. This was proven by another open question, this high income group identified that price is not a factor for them to gain satisfaction. They indicated that exclusivity and differentiation in mobile telecommunication is preferred.



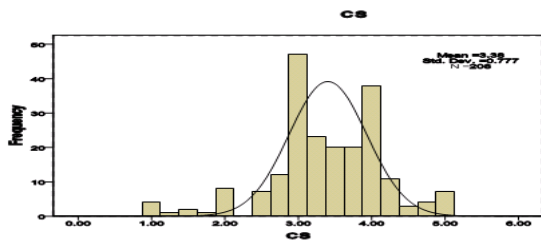
**Figure 4: Price**

The elements of corporate value showed a relatively moderate rating. The mean scores recorded for these elements were 3.27. The readings can be interpreted as an average, a sign of acknowledgement by the respondents that these elements contributed towards changing customer satisfaction. The majority of respondents answered; "neither agree" or "disagree." From the chart, the peak score is 3.0, meaning respondents might think that the corporate value maybe positive or does not directly affect customer satisfaction and for them the corporate value position is unknown. However, the majority of respondents did agree with this question and that corporate value is of importance in creating customer satisfaction.



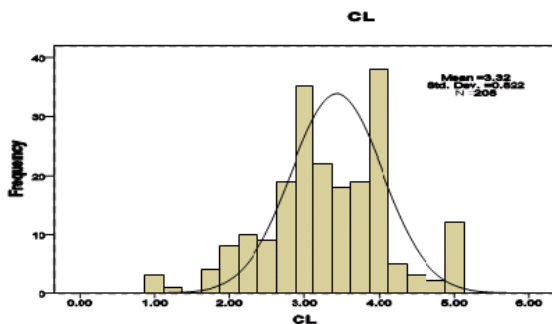
**Figure 5: Corporate value**

It was found during the interview conducted with one of the respondents that the respondent was not satisfied with their current telecommunication service provider. This was due to a ridiculous charge being made in their bills and when the customer lodged a complaint with the customer services department no action was taken. In this circumstance, the customer experience of bad service offered by the telecommunication service provider lead to the customers' dissatisfaction.



**Figure 6: Customer satisfaction**

However, a few respondents did not agree with customer loyalty; because for them loyalty to any of the telecommunication service providers is not the issue as another factor could be considered in the customer purchasing mobile telecommunication services.



**Figure 7: Customer loyalty**

The first hypothesis is intended to evaluate the relationship between price and customer perception. The hypothesis is as below:-

H1: There is a significant relationship between price and customer satisfaction.

The results of the Pearson Correlation test that has been conducted between the dimensions of price and customer satisfaction. The results revealed that there is a positive relationship between the two dimensions as the p value is less than the significant value, ( $p=0.000$  which is  $<0.05$ ). This indicates that the price factor did influence customer satisfaction. There is a moderate high correlation coefficient at ( $r=0.680$ ).

H1 is accepted

The second hypothesis in this study is assessing the relationship between corporate value and customer satisfaction. Below is the hypothesis statement:-

H2: There is a significant relationship between corporate value and customer satisfaction.

The results of the Pearson Correlation test that has been conducted between corporate value and customer perception. The results reveal that there is a positive correlation between these two dimensions, as the results of the p value is smaller than the significant value, ( $p = 0.00$  which is  $< 0.05$ ). This shows that corporate value is an importance factor in influencing customer satisfaction. There is a moderate high correlation between these two dimension as the correlation coefficient is at ( $f=0.675$ ).

H2 is accepted.

Hypothesis three studied the relationship between customer satisfaction and customer loyalty. Below is the hypothesis statement:-

H3: There is a significant relationship between customer satisfaction and customer loyalty.

The results of the Pearson Correlation test conducted between the two dimensions, customer satisfaction and customer loyalty. The results state that there is a

significant value between these two dimensions as the p value is smaller than the significant value, ( $p=0.000$  which  $< 0.05$ ). Furthermore there is moderate correlation between these two dimensions as the correlation coefficient is at ( $0.569$ ). This sign indicates that customer satisfaction will influence customer loyalty towards a telecommunication service provider. Thus H3 is accepted.

## DISCUSSIONS AND CONCLUSIONS

Significantly, based on the age factors, 83 out of 208 respondents were from the age range of 25 and below. The age group 26 to 30 years of age had 54 respondents, the age group 31 to 45 had 54 respondents and finally the age range above 45 only had 8 respondents. This shows that the average age group that use telecommunication services are those who are aged 45 and below. It also indicates that these groups are most active users when compared to people above 45 years old. From the analysis, it can be concluded that the majority of users fall within the Y generation, as this generation on the whole mainly adapts to new technologies. This result is consistent with Hedrick & Wong (2008), who identified that the Y generation is the most important market, as they have the largest spending power and this group has emerged as the affluent part of society, especially in developing countries (Nawaz, Afzal, & Shehzadi, 2013).

For the employment sector, the largest respondents were the full time employed at 126 respondents. This indicates that full time employees are active users of mobile telecommunication. The not-employed users followed next with 43 respondents, this type of user are accessing mobile telecommunications for the purpose of searching the web to apply for jobs. The self-employed users totaled 29 respondents and the part time employed 10 respondents. This indicates that the lowest users of telecommunication services are the part time employed.

Respondents' annual income showed that a total number of 60 respondents have an income of RM20, 000 and below, followed by 25 respondents for the income range RM20, 001 to RM30, 000, 36 respondents for the income range of RM30, 001 to RM40, 000, 20 respondents for the income range of RM40, 001 to RM50, 000, 16 respondents for the income range of RM50, 001 to RM60, 000 and 51 respondents in the income range above RM60, 000. Conclusively, this analysis shows that customers from the lower income and highest income ranges are dominant and active users of mobile telecommunication; this indicates that these groups can form the main business target in terms of improving, expanding and developing marketing strategy.

In this study the majority of the respondents, 141, are using the 4G phone with LTE services, followed by the 3G phone users at 64 respondents and the 2G phone user at just 3 users. The demand for the latest technologies in phones is quite high and respondents agree that the telecommunication generation is an important factor for the customers' consideration. The respondent's willingness to spend on their bill per month were recorded by respondents in the below RM100 bill per month group with 101 respondents, 84 respondents choose to spend between RM101 to RM200 per month on their bill, 14 respondents are willing to pay a bill between RM201 to RM300, However there are 5 respondents spending monthly between RM301 to RM400 on their bill and finally there are only 3 respondents willing to spend more than

RM400 monthly on their bill. The majority of respondents agreed that the lowest priced telecommunication provider will have more demand; this is a sign that the respondents are particular about the pricing of products. Price fluctuations will significantly affect the demand due to pricing sensitivity; motivating customer's to switch their telecommunication line to other operators who are offering slightly lower pricing.

The next question discussed concerned customer considerations when choosing a mobile phone, this provided four answers; platform, price, style and function. The majority of respondents chose functionality as the highest priority when choosing a mobile phone with 94 respondents agreed on this. The second largest consideration is the platform which was identified by 71 respondents, third is price being selected by 30 respondents and finally, only 13 respondents make their choice based on style factors. This signifies that the respondents consider functionality as the main factor in choosing a mobile phone and telecommunication providers should consider the functionality of the mobile phone more (Nawaz, Azam, & Bhatti, 2019).

The most popular provider of telecommunication lines is Maxis with 101 respondents using their line; followed by DiGi with 74 respondents, Celcom was used by 21 respondents and finally U mobile with only 12 respondents. Maxis are the main telecommunication provider in Malaysia because of the popularity and convenience for customers' in using their services. Another factor for the success of Maxis is their understanding of the needs and wants of customers by the providing the appropriate line strategy and maintaining their market branding. Finally, the telecommunication plan preferred by the customer is the postpaid plan subscribed to by 162 respondents, whilst only 46 respondents have a prepaid line (Nawaz & Hassan, 2016). Socio-demographic variables have been denoted as a positive association with the customers' satisfaction. Generally, the higher the education level, the higher the mean scores are in the satisfaction domains. Similarly, the higher an income level, the higher the mean scores are in the satisfaction domains. The results revealed that gender and customer satisfaction between them have a positive relationship, with a significant level score of 0.00 which is less than 0.05.

This study explored the perceptions of customer's regarding the quality of the telecommunication service provider. The study also discovered by means of exit interviews that the majority of respondents are satisfied or very satisfied with the quality of telecommunication services, providers deliver in the district. Most of the indicators of quality used were scored positively by a high proportion of respondents.

Generally, the respondents in our study decided that the messaging application is either good or very good, resulting in the respondents feeling happy with the services. The majority of the respondents score was for the medium rank (89 respondents) and highest rank (77 respondents) respectively. This is a sign of acceptance in the services offered in the messaging applications. Most of the respondent quiet agree with video applications in telecommunication, with the highest score for the medium (97 respondents) and highest (48 respondents) rankings. In social networking applications the score for highest is 114 respondents and the second largest is medium scored by 72 respondents. Browser applications resulted in the

largest score for highest with 106 respondents and the second largest was the medium rank. All of the applications scored both medium and highest scores. This application score indicates that there are signs of acceptance in using application for telecommunication. Thus, efforts must be continuously made to maintain this variable.

The result showed that this model is a valid, reliable and flexible instrument to monitor and measure the satisfaction level with telecommunication providers and it enables the companies to identify the areas that need improvement from the customer's perspective. The results can be used in the planning of quality improvements by telecommunication service providers. According to the findings, the quality improvement efforts of telecommunication providers should be mainly focused on; modernizing equipment, timeliness, increased technology, accuracy of performance, as well as on enhancing the inter-personnel relationship and communication skills of its staff and other personnel in relation to the customer.

H1: There is a positive nexus among the price and customer satisfaction.

Hypothesis H1 was accepted because the multiple regression analysis between price and customer satisfaction was significant. The Beta of the price variable was found to be 0.209, with the significance level of the p-value at 0.009, which is below 0.05. This indicates that the predictor level of price towards customer satisfaction is 20.9 percent. Therefore, this hypothesis was accepted.

H2: There is a positive nexus among the corporate value and customer satisfaction.

Hypothesis H2 was accepted because the multiple regression analysis between corporate value and customer satisfaction was positively significant. The Beta of the corporate value variable was found to be 0.221, with a significance level for the p-value of 0.008, which is below 0.05. This indicates that the predictor level of corporate value towards customer satisfaction is 22.1 percent. Therefore, this hypothesis was accepted.

H3: There is a positive nexus among the customer satisfaction and customer loyalty.

Hypothesis H3 was accepted because the multiple regression analysis between customer satisfaction and customer loyalty was positively significant. The Beta of the customer satisfaction variable was found to be 0.296, with a significance level for the p-value of 0.000, which is below 0.05. This indicates that the customer satisfaction predictor towards customer loyalty level is 29.6 percent. Therefore, this hypothesis was accepted.

Based on the above discussion, it can be concluded that all variables significantly influence customer loyalty. Furthermore, in order to draw conclusions regarding the important factors that influence the customer loyalty, Table 5.3 paraphrases the results of the multiple regression analysis of the relationship between the dependent and independent variables. To explore the level of customer satisfaction towards telecommunication service providers in Malaysia.

For service quality, the results indicate that this is the lowest factor influencing customer satisfaction with the highest Beta of -0.143. Here customer satisfaction depends largely on the service quality of the company to help customers and provide prompt service. How responsive the company is towards the customer can be measured by

the amount of time needed to deal with customers' reported problems and the response duration once the customer has filed a service request. For example, service quality responsiveness of telecommunication providers evaluates the time taken to respond to the customer's complaint about system disruption, duration of problem solving and feedback to the customers. Tangibles have an impact on customer satisfaction. Price is the largest factor for a customer as the Pearson's correlation score was 0.680 with high moderate correlation. This moderate high correlation states that the highest influence is that when customers are satisfied with certain products this will lead to trust and intention to purchase.

As for perceived value, the results from Table 5.2 show that perceived value is the most influential factor in determining customer satisfaction, where the Beta is 0.321; this is the highest Beta among all the variables. Customers admit value by appreciation of such activities as; delivery time, innovation, information and quality that creates more value to them. Most of the literature suggests a positive relationship between perceived value and perceived satisfaction. These results are also consistent with past studies who found the important direct function that integrated perceived value with innovative ideas could perform customer satisfaction and lead to the repurchase of the products. This research found a positive relationship between perceived value and customer loyalty. What this research found was that the higher the perceived value, the higher the customer satisfaction. This situation arises and might be due to the positive questions designed in the questionnaire.

#### Implications of the Study

Many researchers found that price is an important factor in building their customer's behavior pattern. Customers are attracted by some pricing strategies applied by an organization that are aimed at creating perception among the customers regarding particular products or services. In fact price factors support pricing behavior patterns when viewed in connection to the normative perspective in pricing literature; different categories of service necessitate formulating different pricing strategies.

Past studies identify that characteristics and incorporating customers' needs have to be included if the pricing process is to be effective in terms of the decision made; within this context the method being used is not solely related to pricing decisions. However, the formulating of a pricing strategy seems to have unique characteristics in business activity, requiring managers to align the activity in the market with the organization's goals, market structure and overall strategy. Past studies mentioned that performance will be enhanced if the organization understands and performs in accordance with customer thinking when implementing their pricing strategy. This important factor needs to be stressed; that focusing only on customer needs and wants is essential, simply because the customer is the organizations audience. The question arises, who is this product or service being made for? The answer is customers. Therefore, the implication for managers responsible for pricing decisions within their organization is that pricing decisions must always fulfill their customer's requirements and so set pricing strategies from a customer's perspective.

The role of corporate value has been confirmed as a significance factor in increasing perception of customer satisfaction. Implementing corporate values creates a

good image in the eyes of customers and can cause the establishment of loyalty factors among customers (Nguyen and Leblanc, 2001), creating positive increases in market share and sales in their market. Past studies mentioned that corporate value is something customers use when judging company credibility; this then leads to customers' purchase intention and perceived quality. Past studies confirmed that corporate value builds a favorable corporate image and positive corporate reputation among the communities. Past studies state that a powerful corporate value can increase the efficiency of communication. Thus, telecommunication service providers need to embrace corporate value as a major assessment in the customers' perception regarding satisfaction. Changing staff attitude and culture by encouraging employees to serve the customer is the first philosophy priority and is essential in maintaining credibility. Thus, managers should be aware of the need to include the service dimension in order to improve service quality.

#### Suggestion for future research

In this research, only four elements of independent variables and one moderation variable were investigated, the researcher feels that there are still other elements that can be added to the variables to improve future research. The sample size and physical coverage to some extent has influenced the quality of the research findings and its ability to generalize. Due to the time constraints and some other limitations, the coverage of this research was a small sample size of 208 respondents' within a few districts in Kuala Lumpur. Future studies should increase the size of the respondents.

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