

INTI INTERNATIONAL UNIVERSITY

MASTER OF BUSINESS ADMINISTRATION

PRICE AND QUALITY AS DETERMINANTS OF CUSTOMER SATISFACTION: THE CASE OF CHINA UNICOM

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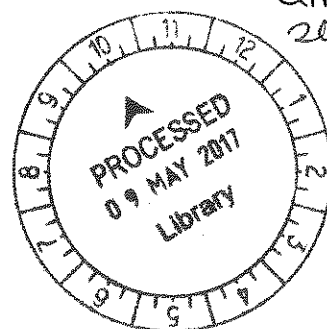


Table of Contents

	Page No.
DECLARATION.....	1
ACKNOWLEDGEMENT.....	2
1.1 Background.....	3
1.2 Problem Statement.....	4
1.3 Research Objectives.....	5
1.4 Research Questions.....	6
1.5 Significance of the Study.....	6
1.6 Scope of the Study.....	6
1.7 Limitations of the Study.....	7
1.8 Operational Definition.....	7
2.1 Price and customer satisfaction.....	9
2.2 Quality and customer satisfaction.....	11
2.2.1 Network on customer satisfaction.....	12
2.2.2 Service on customer satisfaction.....	13
2.3 Research Framework.....	14
3.1 Research Design.....	16
3.2 Study Population, Unit of Analysis and Sampling Design.....	17
3.3 Measurement Instrument.....	18
3.3.1 Factor Analysis and Reliability Test.....	18
3.4 Questionnaire Design.....	19
3.5 Data Collection and Analysis Method.....	19
3.6 Ethical Limitations.....	20

4.0 Chapter Four: Data Analysis and Discussion.....	22
4.1 Overview of the Data.....	22
4.2 Results.....	23
4.2.1 Demographic Analysis.....	23
4.2.2 Reliability Analysis.....	25
4.2.3 Correlation Analysis.....	27
4.2.4 Regression Analysis.....	29
4.2.4.1 Service and Customer Satisfaction Regression Analysis.....	30
4.2.4.2 Price and Customer Satisfaction Regression Analysis.....	31
4.2.4.3 Quality and Customer Satisfaction Regression Analysis.....	33
4.2.4.4 Service, Price, Quality and Customer Satisfaction Multiple Regression Analysis.....	34
4.3 Hypothesis Assessment Table.....	36
4.4 Objective Discussion.....	36
4.5 Conclusion.....	38
5.0 Chapter Five: Conclusion and Recommendations.....	39
5.1 Summarized Findings.....	39
5.2 Recommendations to Organizations.....	40
5.3 Limitations of Current Research.....	41
5.4 Suggestions for Future Researchers.....	42
5.5 Personal Reflection.....	43
References.....	44
Appendix 1: Questionnaire.....	51
Appendix 2: SPSS output.....	54

Appendix 3: Initial Research Proposal.....	64
Appendix 4: Ethic form.....	67
Appendix 5: MBA Log Book.....	67
Appendix 6: Turnitin Report.....	77

Declaration

I Certify this is my own work and the use of materials from other sources has been properly and fully acknowledged in the text. I understand, that the normal consequences of cheating in any element of examination, if proved and in the absence of mitigating circumstances is that the relevant faculty examiner's meeting will be directed to fail the candidate in the examination as a whole.

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Chapter 1

Introduction

1.1 Background

The study is divided into nine sections. Firstly, as many people do, the first part is an overview, followed by collecting data communications sorted out the company's development history, then the background issues. The fourth part of the article is the goal, then it is research questions and research objectives, and the last is to limit the scope. These studies can better understand the relationship between Chinese state communications, and customer satisfaction and communications companies. The ultimate goal is to identify defects and improved so that China Unicom Shanghai communications company better.

Along with the facility of finding various services over internet, one of the most important and popularly rising topics of general interest nowadays is social networking websites (Robin, 2016). In this case, China United Network Communications Group Company Limited (China Unicom) on January 6, 2009 at Netcom and former China Unicom China on the basis of the original merger, in 31 provinces (autonomous regions, municipalities) and overseas countries and regions with offices, telecom companies China is the only one in New York, Hong Kong and Shanghai-listed three places at the same time, for many years appeared in the "Fortune 500 companies (He, 2010)."

China Unicom has a nationwide coverage, access the communication network in the world, and actively promote changes in fixed and mobile networks, and provide customers with comprehensive, high-quality information and communication services.

With the development of the network, domestic enterprises will face more and more foreign competition. China's three giant communications companies have China Mobile, China Telecom and China Unicom. China Mobile and China Telecom with technical and management advantages, China Unicom will also cause a greater impact. However, China Unicom is also advancing with the times of innovation and change, so, through

customer satisfaction survey to understand what customers need most, thereby increasing market demand.

1.2 Problem Statement

Customer Satisfaction Survey is one of the important means to identify problems and improve services. Especially in the financial services, telecommunications, due to the huge customer base, is almost impossible to achieve one to one service, so customers understand the differences in the needs of business problems as well as between competitors through satisfaction surveys, which has targeted improve services, it is particularly important. Evaluation of the role of customer satisfaction is to master the status of satisfaction, help customers to concentrate its limited resources on the most important aspects of the customer, so as to achieve the establishment and improve customer loyalty and customer retention.

Here's services include tangible products combine the pre-sale and after-sales service. Attribution refers to an event feels reasons. When the consumer is a consequence of (service better than expected too much, or too much bad) shocked, they always try to find the reason, but they can affect the assessment of the cause of their satisfaction. For example, although a car repair, but was not able to be repaired within the time desired by the consumer, what consumers think the reason is (this is sometimes the actual cause is inconsistent) will affect his satisfaction. By Infinit Contact (2015). It's been a long-held belief among business owners that excellent customer satisfaction is something worth pursuing. Businesses exist to earn profit by providing a product or service that clients need, and one way to ensure repeat business is by meeting or surpassing customer expectations and great service offered by customer service representatives in their inbound call center.

To sum up, customer satisfaction in the telecommunications industry is very important. However, many companies focus on the development of new products, the beginning and no special attention to customer satisfaction and the relationship between the company. And customer complaints on the Internet and other departments did not improve accordingly. For example, China Unicom's quality of service there are still some

problems, then if the quality is not good, and the customer did not receive the appropriate compensation in the first time or Unicom did not provide satisfactory services to customers, then these will have an impact on China Unicom? Therefore, this study attempts to review the relevant literature on research variables and then conduct empirical research to provide marketers with more comprehensive knowledge to determine the impact of Unicom's customers on the quality and price of customers in the context of Shanghai market and whether it will affect customer satisfaction.

By studying the customer satisfaction of Shanghai Unicom, we can find out the service short board, and the customer satisfaction has a direct impact on the customer price and quality, so as to analyze the relationship between quality and customer satisfaction, as well as the price of customer satisfaction And then analyze the customer value, to achieve the limited resources to give priority to the most valuable customers, research service standards, service delivery and service delivery and customer expectations of the gap between the customer to find shortcomings and service shortcomings, the corresponding recommendations to improve.

1.3 Research Objectives

The so-called Telecom Customer satisfaction is a telecommunication operator providing communication services to customers in the process, enabling customers to produce the desired degree of their actual feelings of the comparison, or the actual feelings of psychological acceptability. In the current fierce competition in the telecommunications industry, a measure of customer satisfaction, including service levels, tariff levels, communication quality, brand image, business model and so on (Meng, 2012).

The research objectives of this paper is to determine the impact of price and quality of China Unicom on customer satisfaction. Market competition from purely technical competition, price competition into services, competition, price and quality of service and business innovation level of customer satisfaction is crucial to attracting and keeping customers. In this case, the paper analyzes and demonstrates the company's mobile service is the main way to win and keep the customer, providing customers with

high quality, satisfactory service Unicom will be the key to success. One can imagine how important it is customer satisfaction.

1.4 Research Questions

Network communications industry competition is increasingly fierce competition in the market from a purely technical competition, price competition into service, competitive pricing and business innovation, service quality and level of customer satisfaction is crucial to attracting and keeping customers.

The paper will analyze the company's mobile services which regards to price and quality .As cited the study of Guo (2010), providing customers with high quality and satisfactory services are the key to success. One can imagine how important customer satisfaction is. This research paper aims to answer this research question: How price and quality impact customer satisfaction in China Unicom?

1.5 Significance of the Study

Customer satisfaction provides marketers and business owners with a metric (Ross, 2014). On the one hand, China Unicom's quality studies include: network quality and service quality. For example, the network signal is good, as well as the network speed is fast. On the other hand is the price of China Unicom, such as the relationship between the price level and quality, thus affecting customer satisfaction. So the data can be collected after the effective measurement of the target. Therefore, the promotion of customer satisfaction, the establishment of customer loyalty. The research of customer satisfaction can not only make up the shortcomings of China Unicom, but also improve the marketing competitiveness of China Unicom to a certain extent. The final goal is to accelerate the development of China Unicom. The telecommunication industry would be benefited from this study.

1.6 Scope of the Study

In order to obtain more accurate data, then the research location is Shanghai, China 2016. The target respondents will be the blue-collar workers who are the users of China

Unicom. With 1.3 billion people in China and about 23 million people in Shanghai, only 550 questionnaires will be distributed of which 384 will be collected for a certain period of time. The focus will be on the impact of quality and price on customer satisfaction of China Unicom.

1.7 Limitations of the Study

The satisfaction of the investigation or have some limitations. First of all, Shanghai, China, about 23 million people, then the questionnaire is only 550, which 550 people can not fully represent the idea of 23 million people. Second, there are fifty-six ethnic groups in China, and the culture, beliefs, habits and traditions of different peoples will influence the results. Third, the continuous progress of science and technology, then the corresponding network technology will increase, and affect the behavior of Internet users. Therefore, this study is only used in China, and can not represent other countries. So the sample size can not replace all the people, it still has some limitations.

1.8 Operational Definitions

By Unicom official website to get some information, the following table lists the products and introduce China Unicom's products.

Broadband access, China Unicom broadband Internet CHINA169 not only to provide telephone dial-up, XDSL, green, fiber and other fixed access, but also provide WLAN, GPRS and other wireless access, while providing home gateway, "broadband my world" website, "Broadband my world" client, E shield, IDC and other rich Internet application services.

Mobile value-added services provide SMS, mobile news, China Unicom in the letter, ringtones, NICAM, mobile email, MMS, Internet traffic, as well as caller ID, call forwarding, call waiting, call hold, multi-party calls, voicemail, China Unicom secretary missed call reminder and other value-added services.

Mobile TV is China Unicom to provide the service to watch video programs on your phone. Use the service needs to support China Unicom's WCDMA network. You can phone or TV client Unicom 3G portal, on-demand, download, upload a video, you can watch real-time television broadcast multiple channels.

New forces is China Unicom against groups of young people 15-26 years of launch customer brand, it is China Unicom's first customer brand.

"Wishful" is affordable and convenient mobile services China Unicom to provide for the general public.

"World Wind" is a new China Unicom mobile communications services in order to meet the communication needs of diverse users' exclusive launch. With this service, it is possible to use only a dual-mode phone can switch between GSM, CDMA two kinds of mobile networks, and enjoy dual-network services.

116114 is provide customers with comprehensive information services based 114/116114 voice queries, phone WAP, Internet and yellow pages and other multimedia channels.

Chapter 2

Literature Review

2.1 Price and customer satisfaction

The purpose of this section is to examine the relevant research literature for relevant studies. Firstly, a review of customer satisfaction by defining products and related academic debate, and then study the relationship between customer satisfaction and Unicom again. Thereafter, in order to understand customer engagement through relevant research to understand the impact of China Unicom, the price and quality of customer satisfaction, as well as what effect. This last part is to provide a comprehensive definition of the previous studies and learn, and then determine the purpose of the study, which will help improve the management of the value of China Unicom, China Shanghai Unicom to make better development.

In the network economy era, consumers have more power than ever before and more choices. Why customers are willing to pay? Customers who have any reason to buy again? Simply because of low prices or better product quality is not enough, these are just an advantage. But one thing is certain, and that is to provide customers valuable products or services, more precisely, is the product or service more suited to customer requirements (Wu, 2015). Customer price differences reflect, in the long term due to the awareness of the purchase activity, imagination, habits and experience on the quality of goods, the formation of commodity prices, a general reference is made standard price, and the internal reference price based to measure other prices (Wang, 2006). Customer satisfaction is due to pay the price and value of the product obtained in matches or more. The right marketing, the greater the more not adjust low sales prices, nor the money better. But to take full advantage of the relationship between value and price, to integrate ways to increase consumer satisfaction with the product (Su, 2002).

In the case where the quality of service can't be known in advance of the consumer, the price may be formed of customer satisfaction play a role implied (Liu, 2010). Since many customers do not pay attention to their products are often accurate price, therefore, in

many cases, there may be an acceptable price range. If the product falls into this range, the price may not be used as a yardstick, however, if the price exceeds acceptable range of upper or lower limit, the price becomes very important, the products in question be rejected (Su, 2002).

When China Unicom customers that the high price of high-value products to buy when there will be two evaluation attitude. If the price of the product is high, but the higher the value, the pay is worth it; on the contrary, will think that the product is high-grade products (Wang, 2006). But the price is a bit high, some customers will be very difficult and some are paid and some heartache, in short, not too satisfied. But whether satisfied or dissatisfied customer will probably give a "good goods are not cheap" evaluation (Wu, 2015).

If a customer of the product included the location of high value and low price, the situation may be very bad. Even customers that have deceived that businesses shoddy, cheat money. If this is the high price low, please stop (Su, 2002).

Customers considered low-value products with low prices, there may be passive, there may be active, the evaluation of customer location products are satisfactory, there are unsatisfactory (Huang, 2010). When customers think of low product prices, the value a little higher, then the result is satisfactory, that these products, though not very upscale, but very affordable. Instead of consumers believe these products are often not very good quality, the price is not low, so product is difficult to open the market (Liu, 2010). Another possibility is that people are interested in the production of affordable popular goods at low prices to enter the market, this product is active into the "low low" location, the production cost is relatively low, and therefore for the company there is still considerable in profits. Sometimes consumers believe low-price products is the low quality of low value. For businesses more harm than good (Hong, 2013).

Customers who were classified as "low-cost high-value" products, can be said is very popular. The reasonable price is a basic requirement of most customers, if on the basis of good quality, the company offers reasonable prices, which will contribute to customer

satisfaction with the goods (He, 2015). Customer satisfaction with these types of products high evaluation is also very good, but must find two reasons for consumers: First of all, why the price is lower than other companies; the second is why the product off than other products with higher value (Zeng, 2006). And the two grounds must be real tangible or easily felt, but also to facilitate the best advantages of publicity.

In summary, customer satisfaction has become a national strategic enterprises occupy more customers share and gain a competitive advantage overall business means (Hong, 2013).

Satisfaction with the principle of price, although very simple, but to achieve a competitive advantage is very difficult. China Unicom is necessary to understand the problems that exist in competitive activity, the need for a structured approach to evaluate the status of the company's products in the competition (Chen, 2011). Firstly, the demand for a single group, and then apply them to other target groups. China Unicom to determine the value of consumer products composed of requirements and acceptance of the value of willingness to pay whether the value of the price is reasonable (He, 2015). Only through direct knowledge of customer perception of product characteristics, in order to reliably determine the value of the product for each customer group consisting of requirements and affordability. Improve customer satisfaction, increase sales Unicom.

2.2 Quality and customer satisfaction

Since the 1990s, the rapid spread of the Internet around the world. Today, the Internet has tentacles extending to the fields of politics, economy, society, military affairs, culture and education. Faced with such a huge market, operators are engaged in a fierce battle wins the cake (He, 2015). China Unicom to enhance the attractiveness of potential users must be from the network quality, service quality, and many close to the user's expectations, more practical and more effective in improving user perception, improve customer satisfaction. Only a very high customer satisfaction will be loyalty, will establish long-term relationships with companies (James, 2010).