CONSUMER SATISFACION AMONG MAJOR INTERNET SERVICE PROVIDERS IN POKHARA

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DECLARATION

I hereby declare that the work in this thesis has not previously been submitted for a degree nor has it been submitted as part of requirements for a degree except as fully acknowledged within the text. I also assure that the thesis has been written by me. Any help that I have received in my research work and the preparation of the thesis itself has been acknowledged. In addition, I assure that all information sources and literature used are indicated in the reference section of the thesis.

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Tanka Prasad Adhikari

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Tanka Prasad Adhikari

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LIST OF ABBREVIATIONS AND ACRONYMS

ADSL	:	Asymmetric Digital Subscriber line
APA	:	American Psychological Association
DVBT2	:	(Digital Video Broadcasting – Second Generation Terrestrial)
EDGE	:	Enhanced Data for Global Evolution
ENET	:	Ethernet
FTTH	:	Fiber to the Home
GPRS	:	General Packet Radio Service
HTP	:	High-test peroxide
IoT	:	Internet of Things
IPTV	:	Internet Protocol Television
ISO	:	International Organization for Standardization
ISP	:	Internet Service Provider
ISPAN	:	The Internet Service Providers' Association of Nepal
MIS	:	Management Information Systems
NDCL	:	Nepal Doorsanchar Company Limited
NTA	:	Nepal Telecommunications Authority
NTC	:	Nepal Telecommunication Corporation
PUBG	:	Player Unknown Battlegrounds. Player
SD	:	Standard deviation
SERVQUAL	:	The Service Quality Model
SMEs	:	Small and Medium Enterprise
SPSS	:	Statistical Package for Social Science
USB	:	Universal Serial Bus
VOIP	:	Voice over Internet Protocol

ABSTRACT

The study has been done for the analysis of "Consumer satisfaction among major Internet Service Provider in Pokhara". The objective of this research is to find the service quality of internet service provider (ISP) which influences the satisfaction level of customers towards their ISP. The relationship between service quality dimensions shows the current status of the ISP and their customers.

The data collection was done with the help of structured questionnaires from 123 respondents by using the convenience sampling from inside Pokhara City. The research gathered demographic attributes like age group, education level, income level and occupation of the respondents and analyzed its association with service quality dimensions of ISP. A set of questionnaire with different section was prepared in the "Google Forms" and distributed online to the customers who use internet. The respondents profile along with their personal characteristics and result of the survey are presented in following sections. The responses were collected and the data was arranged and analyzed using Microsoft word and Excel software packages. Under Excel software, the collected data were analyzed through various approaches such as, reliability analysis, analysis of demographic profile, and descriptive analysis.

It has been found out that the service quality dimensions have major influence in the subscription decision of internet service. The variables like gender, age, occupation, income level and education level normally do not have effect in the satisfaction level of customers for their ISP. The ranks on the basis of factors affecting while choosing ISP are speed, smoothness in connection, maintenance, popularity and offers and scheme. The service quality dimensions and satisfaction level are related with each other and they are significant in nature.

The major findings of the research were that gender, age, occupation, education and income level has no significant relationship with the satisfaction level of the customers towards ISP. There was significant relationship between service quality dimensions of ISP. It can be noticed that all the quality dimensions like reliability, empathy, assurance, responsiveness and tangibility were associated with each other.

As a whole, it can be seen that most of the subscribers of the ISP are satisfied with their current ISP. More than 65 percent are satisfied with ISP inside Pokhara. The service quality dimensions are directly related with the satisfaction of ISP users of Pokhara.

CHAPTER-I

INTRODUCTION

This chapter enlightens the overview of the research work. As a basement of the research study this chapter consists of the sections, namely background of the study, statement of the problem, objective of the study, significance and focus of the study, limitation of the study and organization of the study. Each section is briefly elaborated as follows.

1.1 Background

Nepal is making significant socio-economic development over the last few decades and the expansion of internet services across the nation has contributed to this regard a lot. The number of internet users in Nepal has increased rapidly in recent years because it has become an essential part of Nepalese culture. This is more prevalent in city areas where users are taking great advantages of internet services to stay connected with clients and partners as well as for business promotional activities.

Pokhara is the second largest city situated in western region of the Nepal. Role of internet services in its continuous development process is quite significant. Due to growing demand for reliable and affordable internet services, several internet service providers have started their business operation in the area. Like in other growing markets, internet users, both individual and institutional, in Pokhara are consistently growing over recent years. The data trend also supports this fact. According to NKP, Nepal adds 2.25 million internet users in the last year. The reference is from the regulator NTA's MIS which says 20 million Nepalese currently connect to the internet. This figure is nearly 70 percent of the total population as per MIS of 2019.

The Internet Service Providers' Association of Nepal (ISPAN) was set up in 1998 with a mission to develop and promote Internet services for everyone. ISPAN had originally started activities when internet service provider (ISP) like Mercantile, World Link, CCSL, HTP, ENET came together with the common purpose of making Internet affordable to local communities and penetrate further in rural areas. ISPAN has been

initiating continuous dialogues with the Ministry of Information and Communication, Nepal Telecommunication Authority, Nepal Telecommunications with the aim of upgrading and extending the internet services. ISPAN is in the forefront of liaison with several Ministries and Departments for shortcomings in the License Conditions. ISPAN has been fighting and exercising the right to obtain timely and quality infrastructure and resources to enable high quality services to be delivered by the Internet Service licensees. Association has since then been at the forefront of bringing about changes in the Internet Policy, through regular interaction with various stakeholders such as Government Departments, other Industry Associations and Media.

Although, many companies are registered according to ISPAN, several of them disbanded or gone bankrupt or simply have failed to give reasonable speed required for modern communication. As of 2019 records maintained by Nepal Telecom, listed below are some major ISP companies with a significant market share, strong network infrastructure and reliability for future investment.

- Nepal Telecom
- Ncell
- Vianet Communications P. Ltd.
- WorldLink Communication P. Ltd.
- SUBISU
- Classic Tech
- Pokhara Internet

Today, service quality and consumer satisfaction are the most important matter of concern and goals for ISP. Service quality is a vital aspect that differentiates one ISP from another.

Consumer satisfaction directly affects the profitability of the ISP. The quality of ISP is measured on the basis of reliability, flexibility, and the speed of the internet service provided by these ISP to the targeted consumers. It is necessary to study the performance level of the ISP provider.

This study attempts to examine the dimensions of ISP's service quality, and their effects on consumer satisfaction and consumer loyalty. The aim of this study is to apply

Consumer Satisfaction Model in the context of service quality of ISP in order to describe how consumers perceive service quality and whether they are satisfied with the service offered by their respective ISP.

1.2 Statement of the problem

This study entitled as “Consumer satisfaction among major internet service provider in Pokhara” is a maiden attempt by the researcher to find out the level of awareness and attitude of internet subscribers on services and performance of the internet service providers.

Five quality dimensions, reliability of the internet, assurance of the internet, empathy level of the company, tangibility of the service and responsiveness of the service actually help to build the positive quality level and bridge the gap of quality with the above mentioned levels. In competitive market situations, costumers are likely to sway towards cheaper and transient schemes providers and as a result it is very difficult to convince them about the long-term benefits and other special features. Instead, it is better to understand the nature of the consumers in order to give the best quality of the ISP considering the cost factor associated. The expectation of the consumer would be always higher from the side of service provider. When the expected satisfaction level cannot be met by the service provider then it will result in the customer dissatisfaction and antipathy of the users which could ultimately damage the company image among once-loyal customers.

In reality, most Internet Service Providers appreciate the important link between consumer satisfaction and their service. Consumer satisfaction is considered to enhance the competitive strength and promote brand images among consumers. Service quality is viewed as imperative since it prompts higher consumer loyalty, improves sales turnover, reduces operation cost, and enhances client devotion.

The study made an attempt to answer the following research questions;

1. What is the current status of consumer satisfaction among internet service users in Pokhara?
2. What is the perceived level of satisfaction among customers with each internet use purpose category?

3. What are the factors the internet users in Pokhara take into account in making decision such as buying the service of a particular ISP or switch to the next one?
4. What are the factors associated with the consumer satisfaction in Internet Service in Pokhara?
5. How do internet users assess various quality dimensions of their respective ISP.
6. How do the factors of internet service impact to consumer satisfaction?

1.3 Objectives

The general objective of the study is to examine the relationship between dimensions of service quality and consumer satisfaction among major Internet service Providers of Pokhara.

The specific objective of the study is as follows:

i. To examine the impact of reliability on consumer satisfaction among major Internet Service Providers of Pokhara.
ii. To examine the impact of empathy on consumer satisfaction among major Internet Service Providers of Pokhara.
iii. To examine the impact of assurance on consumer satisfaction among major Internet Service Providers of Pokhara.
iv. To examine the impact of responsiveness on consumer satisfaction among major Internet Service Providers of Pokhara.
v. To examine the impact of tangibility on consumer satisfaction among major Internet Service Providers of Pokhara.

1.4 Research Hypothesis

H_1: There exists positive and significant relationship between reliability and consumer satisfaction.
H_2: There exists positive and significant relationship between empathy and consumer satisfaction.
H_3: There exists positive and significant relationship between assurance and consumer satisfaction.
H_4: There exists positive and significant relationship between responsiveness and consumer satisfaction.

H_5: There exists positive and significant relationship between tangibility and consumer satisfaction.

1.5 Significance of the study

Since this research project is a first attempt to explore and understand different aspects of customer satisfaction in Pokhara, the findings of the study will certainly be useful /beneficial to individuals and institutions involved in delivery and consumption of internet services.

Firstly, from the study, current status of ISP in Pokhara will be known. Information like major internet service providers, their tariff rates and service features will be presented. More importantly, the number of internet subscribers will be listed as far as possible. Understanding the existing level of customer satisfaction towards the internet service consumed is essential for ISP companies and concerned government departments. This study is expected to present the internet users' self-reported level of satisfaction for different quality dimensions. Knowing the true reflection from customers of internet service will prompt ISP to review their performance and take necessary action to upgrade the services if found necessary. Also, companies will know the factors influencing the consumer satisfaction in case of study area. Finally, the result of this study could serve as a baseline for scholars and institutions willing to explore further on customer satisfaction among ISP in major towns of Nepal.

1.6 Limitation of the Study

The study is predominantly based on primary source of data regarding the determinants of consumer satisfaction. Therefore, the reliability of the research findings solely depends upon the accuracy and completeness of the information provided by the targeted respondents.

The study is limited to the internet users living in Pokhara city only. Since, the study did not cover respondents from other parts of Nepal subscriber satisfaction level may differ to various geographical locations.

The research is expected to query more about the psychological state of mind of the internet users. Hence, the truthfulness and accuracy of the responses for the survey questionnaire could not be taken for guaranteed.

The scope of the results thus obtained from this research is subjected to limitation since the respondents for questionnaire administration were the people living in urban area of Pokhara city. Therefore, the outcome of this research is only applicable for internet users in Pokhara but no other cites so far mainly because of socio-economic composition of the targeted respondents as controlling factors. Some significant findings from this study will serve as basement for any future research efforts related to internet service providers and to assess the determinants affecting perceived satisfaction level among internet users.

In general, the outcomes of this research suggest some ways that the ISP should follow and some main attributes of Internet Service Quality that they need to pay sheer attention to satisfy their consumers. On the other hand, the findings in this research are valuable because they explain the conceptual framework and existing scenarios in context of ISP in Pokhara.

1.7 Organization of the Study

The whole report is divided into five chapters. The first chapter is the "Introduction" which consists of topics such as the background of the study, statement of the problem, objectivity of the study along with the description of its limitation and significance.

Review of the literature is the second chapter which summarizes the major findings and the significance of some comparable research carried out by other scholars and researchers. These outcomes and findings were incorporated while elaborating the results obtained in this research entitled “Consumer satisfaction among major internet service provider Pokhara”.

The third chapter is the research methodology which describes the research methodologies used to address the research objectives set in advance. In this section mainly the targeted population, sample and sample size of the ongoing research is well defined. It includes description about the tools and techniques used to analyze the research data and the statistical program such as SPSS, Microsoft-Excel used for the

purpose of data preparation and result generation. It also summarizes the major process of data collection followed by analytical procedures as per the research objectives.

The fourth chapter is about presentation and analysis of data which is the main section of the research report. In this chapter, main findings of the research are presented in the form of appropriate tables and charts. All the data collected from the sample respondents were carefully stored and cleaned in the spreadsheet available in SPSS software. These data were used for producing relevant graphics, tables and to generate outcomes for further analysis.

The fifth chapter contains summary, conclusions and the recommendation of the research report. In the summary part, the entire report is summarized in few lines organized in more meaningful manner. Similarly, the conclusions of the study are presented in next portion and recommendations are pinpointed at the end of the section.

CHAPTER-II

LITERATURE REVIEW

2.1 Conceptual Review

Consumer satisfaction has played a big role in the market share as well as in the company investment. Researchers and business scholars in the field have proposed several definitions of consumer satisfaction. Many definitions focus on the disconfirmation of all expectations. Some theories explain how consumer satisfaction relates to consumer needs, where a consumer will be satisfied once he or she feels satisfied with the product offered to them. Many times the consumer have expectations towards a given product. After buying a product, a consumer will expect the new feature in the product to meet her/his expectation. In situations where the expectations towards the product are not met, the consumer will be dissatisfied.

This section presents the thorough review of literature on consumer satisfaction with the internet surfing services provided by ISP. Lee et al. (2001) examined the moderating role of switching costs in the consumer satisfaction-loyalty link and identified consumer segments. He then analyzed the heterogeneity in the satisfaction-loyalty link among different segments. The study concluded that the main objective of consumer satisfaction programs is to increase consumer retention rates. In explaining the link between consumer satisfaction and loyalty, cost seemed to play an important role.

Consumer satisfaction and service quality have increasingly become important components in today's competitive market. Companies that seek to grow and remain competitive tend to give attention to these three variables. It is suggested that satisfied consumer are more likely to remain loyal to a brand, make repetitive purchases, and offer a positive word-of-mouth and consequently it will support for marketing of the services offered by the company.

2.1.1 Customer satisfaction

The scholarly and applied literature on service management refers to several concepts related to customers' reactions to a product or service. These are primarily 'customer satisfaction' and 'perceived service quality', but increasingly also 'customer experience' and 'customer engagement'.

At the most general level, perceived service quality and customer satisfaction are evaluation or appraisal variables that relate to customers' judgment about a product or service. Although research suggests that both customer satisfaction and perceived service quality are distinct constructs (Oliver, 1997; Taylor and Baker, 1994), and that there is a causal relationship between the two (Cronin and Taylor, 1992; Gotlieb et al., 1994; Spreng and Mackoy, 1996; Salini and Kenett, 2009), they have in some cases been used interchangeably (Iacobuci et al., 1994; Mittal et al., 1998; Oliver, 1997; Parasuraman et al., 1994; Taylor and Baker, 1994). However, some differences between the two concepts are acknowledged. Oliver (1997) argues as follows: Perceived service quality judgments are evaluations of specific cues or attributes, whereas satisfaction judgments are more global. Expectations of perceived service quality are based on perceptions of 'excellence', whereas satisfaction judgments include referents such as need and equity or fairness. Perceived service quality judgments are more cognitive, whereas satisfaction judgments are more affective and emotional reactions. An additional aspect of conceptualizing customers' reactions to service is the time dimension. Lovelock and Wright (1999) define perceived service quality as 'customer's long-term, cognitive evaluations of a company's service delivery', and customer satisfaction as a 'short term emotional reaction to a specific service performance'. They argue that satisfaction is by default experience-dependent, since customers evaluate their levels of satisfaction or dissatisfaction after each service encounter. In turn, this information is used to update customer perceptions on service quality. However, attitudes about service quality are not necessarily experience-dependent. They can also be based on the word of mouth or advertising. Thus, it may seem that satisfaction determines quality, and not vice versa. Oliver's (1997) research on the direction of the causal relationship between perceived service quality and customer satisfaction adds a further layer of complexity by suggesting that the direction of influence of one variable

over another depends on the level at which measurement is conducted. Oliver (1997) argues that at the single-transaction level there is a strong quality-affects-satisfaction relationship, while at the multiple-transaction level there is a strong satisfaction-affects-quality relationship, because overall satisfaction judgments influence customers' attitudes about perceived service quality. The above discussion suggests that customer satisfaction is inherently a somewhat elusive construct, for several separate but related reasons: the construct has both cognitive and emotional components; its meaning has a relativistic aspect (i.e. people may have different psychological benchmarks in mind against which they compare their level of satisfaction or judgment of quality); and people's responses to satisfaction surveys depend on the time frame to which they, and not the survey, are referring. Further, it is important to note that while the research literature tries to distinguish between customer satisfaction and perceived service quality, in practice many service organizations do not: when designing customer satisfaction surveys, they often mix dimensions of these two constructs. For this reason, in the remainder of this chapter we often refer to customer satisfaction as a term encompassing all related constructs. For more on integrated models combining customer satisfaction with other dimensions

2.1.1.1 Satisfaction as a feeling

It is important to start with a widely accepted definition of terms like 'customer' and 'satisfaction' like the ones given in the Standard ISO 9000: 2005 (ISO 2005). Or, better, ISO 10004: 2012 'Customer' refers to an organization or person that receives a product or service (ISO 2012). Examples are: consumers, end-users, retailers, beneficiary and purchasers. A customer can be internal or external. However, satisfaction is generally measured in respect of external customers as a formal and useful exercise.

Defining satisfaction is a difficult task as it consists of different aspects, mainly because it is related to the complete consumption experience of the users (Oliver, 1997):

- Satisfaction with events that happen during consumption.
- Satisfaction with final outcome.
- Satisfaction with level of satisfaction received.

In this context, satisfaction is viewed in terms of singular events that lead to a consumption outcome (collective impression of these events), and to the entire experience judgment at the end. A broad definition of customer satisfaction in terms of pleasurable accomplishment is given by Oliver (1997): *"...*Satisfaction is the consumer's fulfillment response. It is a judgment that a product or service feature, or the product or service itself, provided (or is providing) a pleasurable level of consumption-related fulfillment, including levels of under- or over fulfillment…"

According to the thorough review of Yi (1991), customer satisfaction may be defined in two basic ways: either as an outcome, or as a process:

- The first approach defines satisfaction as a final position or as an end-state resulting from the consumption experience.
- The second approach focuses the perceptual, evaluative and psychological process that contributes to satisfaction.

2.1.1.2 Importance of Measuring Customer Satisfaction

Measurement of the customer satisfaction is one of the most important operational agendas regardless of types of business organizations, which is in line with the customer orientation philosophy and the general ideologies of consistent improvement of modern enterprises. In management science, measurement process consists one or more of the five main functions that facilitates for the understanding, analysis and the necessary improvement (Massnick, 1997). As Lord Kelvin (19th century) said, "…if you cannot measure something, you cannot understand it…"

Customer satisfaction, for these reasons, should be measured and outcomes be translated into certain number of measurable parameters. Now, the customer satisfaction measurement is recognized as a most reliable procedure because it provides information on customers' preferences and expectation in an effective, quicker, valuable and objective ways. Considering these realties, customer satisfaction is a reference line standard of business performance and a possible standard of excellence for any business organization (Gerson, 1993).

To strengthen customer orientation on a daily basis, increasingly large numbers of organizations rely on customer satisfaction as the indicator of their main performance. It is not practical to keep an entire company constantly motivated by a single notion as abstract as customer satisfaction. Because of this, customer satisfaction must be transformed into a number of measurable factors that are in direct connection with people's jobs (Deschamps and Nayak, 1995). Moreover, customer satisfaction measurement gives us the clear idea of achievement for the entire workforce involved along the stages of service delivery to customers. In this way, satisfaction measurement encourages people to contribute more efficiently and achieve greater levels of productivity (Wild, 1980; Hill, 1996).

The main reasons for measuring customer satisfaction are summed up in the following lines (Motorola, 1995; Dutka, 1995):

- Customer satisfaction consist the most reliable market information. This way, a business organization is able to examine its current position against existing competitors in the market, and accordingly develop its future plans and strategies.
- Significantly large number of customers choose not to express their complaints or their dissatisfaction resulted from the product or service consumed, either due to a particular attitude or because they don't think that the company will take any corrective measures.
- Customer satisfaction measurement in many instances may unfold potential market opportunities.
- The main principles of continuous improvement hinges on development of a specific customer satisfaction measurement process. Any improvement oriented action is based on standards that take into account customer expectations and needs.
- Customer satisfaction measurement may help businesses to better understand customer behavior, and particularly to identify and analyze customer expectations, needs, and desires.
- The application of a customer satisfaction measurement program may explore potential differences in the service quality perceptions between the customers and the management of the business organization.

2.1.1.3 Needs and Process of Measuring Customer Satisfaction

Customers take the center stage of businesses more so today than ever before. They demonstrate a wide array of needs and preferences, requirements and expectations, purchasing power and demand structures. Understanding customers' requirements and making necessary efforts to fulfill them followed by evaluation of customer satisfaction are the key functions the businesses today should carry out if they wish to survive and grow in the current globalized and liberalized market economy. Also, the term quality has been frequently incorporated as an international language in discussions around customer satisfaction.

It is stated in subsection 9.1.2 under Clause 9 on Performance Evaluation in ISO 9001: 2015 that 'the organization shall monitor customers' perceptions of the extent to which their needs are met and expectations are fulfilled (International Organization for Standardization (ISO, 2015). The organization shall identify the ways and tools for acquiring, monitoring and reviewing this information.' There is an explanatory note in which examples of inspecting customer perceptions through customer surveys, customer reaction on delivered products and services, meetings with customers, market-share study, compliments, warranty claims and dealer reports have been revealed.

Assessment of customer satisfaction has been carried out in several ways by different groups, mainly based on responses in a properly crafted (sample) survey of customers or potential customers. These responses to various query-related items in a questionnaire (some of which could be questions as well as statements with which a respondent may indicate their deep-seated level of agreement/disagreement) are converted to scores and their weighted average is accepted as a Customer Satisfaction Index (CSI). Lots of variation remained in sampling, in questionnaire design and administration, in scaling of responses, in assignment of weights, etc.

2.1.1.4 Consumer satisfaction for internet service providers

"Consumer satisfaction" is at the heart of marketing strategy of almost all form of enterprises. Also, the author Paff fluently stated that: "There is but little doubt that the maximization of consumer satisfaction is considered by most to be the ultimate goal of the market economy". It is equally important to understand how the satisfaction and dissatisfaction process among ISP consumers to improve market ISP services to them, create new product, and provide customized support services and price services. Having full ideas of existing satisfaction process, it is quite worthwhile to design conceptual and practicable guidelines to be followed for the management and marketing of ISP.

Only a few research projects on consumer satisfaction in ISP were completed and most of these were practitioner-oriented survey research with little supportive reasoning and hence lacking in-depth studies to shed light on existing satisfaction process. Looking into the consumer satisfaction literature we may find several theoretical paradigms as a means to better understand the satisfaction process of ISP consumers and the true figure of ISP in consumers' minds.

2.1.1.5 Models of consumer satisfaction process

i. The expectation-disconfirmation model

The expectation-disconfirmation model is based on a paradigm that has dominated consumer satisfaction/dissatisfaction research for years. According to this concept, consumers are believed to form expectations about a service before actually purchasing the service. The idea of consumer forming expectation is developed from expectancy theory and is generally defined as a customers' beliefs that a service (here the ISP) possess definite desired elements. Then the users have a chance to observe or to realize the actual performance of the service. This post-purchase evaluation is compared with the expectation formed before purchasing the service. If the product performs above the expected level, positive disconfirmation is expected to takes place. Which then results in customer satisfaction, strengthen costumer's attitudes towards the service and result in positive word-of-mouth.

Instead, if the customers' judgment, the product/service performs worse than what is expected a negative disconfirmation emerges. This may weaken individuals'' future

interest to purchase the product and this may lead to seeking for better alternative ISP in the markets.

ii. The attribution model

The attribution model has been found to be very instrumental in illustrating consumer's post purchase behavior. Kelly (1972) and Weiner (1980) have contributed substantially in knowledge generation in case of attribution research. This theory has been used often in dissatisfaction/complaining behavior models than in satisfaction models. According to attribution theory consumers are individuals who make use of information processing, actively looking for reasons to explain why a purchase outcome turned out the way it is (Folkes (1984), Wong & Weiner (1981)).

iii. Affective models

Most consumer satisfaction models link the cognitive process in explaining the consumers' satisfaction judgment. However, as recently recognized aspect of customer satisfaction process, the affective (emotional) variables may have some crucial role in determining buyers' post-purchase position. This recognition is supposed to address the realization of cognitive models being inadequate in explaining most satisfaction phenomena. Westbrook (1980) found that consumer satisfaction judgments were a function of affective responses of the consumer after the purchase. Westbrook (1980) used Izard's (1977) taxonomy of affective experience and claimed that independent positive and negative affective dimensions directly influenced consumers' satisfaction judgment, complaint behavior, and word-of-mouth activity. The affective responses of the subjects were found to account for a large variance in these post-purchase phenomena.

iv. Competitive positioning models

This model serves as a key element in marketing strategy and product designing by the firms. Positioning is the act of designing the image of the firm's offering so that target customers understand and appreciate what the product is distinguishable for in relation to its competitors. Each member firm within a set of competitive offerings is thought of as occupying a certain position in a customer's "mind". And each firm, accordingly, will want to promote those few differences that will appeal most strongly to its target

market base. The end result of positioning is the successful creation of a market-focused value propositions; a clear statement of why the target consumer should buy the product (Kotler 1999).

2.1.2 Major Internet Service Providers in Nepal

The world is rapidly changing due to ongoing digital revolution and peoples' lifestyles are increasingly affected by IT related developments. For instance, the expansion of Internet has touched almost every aspect of people living in urban or semi-urban areas. No country can stay back to taste the fruits of the development of the Internet as everyone is attracted to the new possibilities that can be achieved from the uses of the internet. It can be readily said that the number of internet users in Nepal are increasing year after year. Likewise, there is an increase in demand for the internet of things (IoT) in Nepal. More than 70% of people in Nepal are using the internet in Nepal according to the MIS report of Nepal Telecommunications Authority (NTA). According to the latest report, more than 49,75,000 people use fixed broadband services including both wired and wireless, and the rest of the internet users use mobile broadband for the internet in Nepal.

The most numbers of the users use the internet for social media such as Facebook, Instagram, WhatsApp, Viber, Twitter, etc, for video platforms such as YouTube, Tiktok, etc, for online games such as PUBG, Freefire, Ludo, etc and only a few use it for online payments using online payments gateways such as Esewa, Khalti, IME Pay, Prabhu Pay, Connect IPS, etc as well as mobile banking and internet banking services.

Though, this rapid development of the internet in the last 20 years, Nepal still doesn't have good internet service. The time has come when the speed of the internet can increase or decrease the productivity of a company or any normal individual. As per 2020 April, there are more than 39 ISP available in Nepal, only a few are available in major cities and towns of Nepal. With many ISP, there are different offers and packages offered by them which has made it difficult to choose the best from them. But before subscribing to any ISP we must look for the internet speed offered by them and what prices they are offering the desired speed and if they have any add-on services or not, or if it is free of cost or we have to pay additional fees for add-on services such as IPTV

or VOIP or any other services that they offer. But unfortunately, no one gives add-on services for free of cost, so we must look for the cheapest and best among them.
We often only look at the cost of installation and the monthly cost for the internet service and almost forget to understand the features they provide such as after-service support, installation fees, and add-on services. So before choosing any ISP know about their speed and price and their add-on features. Most of the ISP only show cost excluding VAT so customers may feel they are getting services at cheaper prices and in some ISP's add-on services like IPTV make the internet service costly and it becomes beneficial to opt-out from such add-on only use the internet service in such cases.

- **NEPAL TELECOM**

Nepal Telecom is the oldest telecommunication and internet service provider in Nepal. Nepal Telecommunication Corporation (NTC), a fully owned government monopoly, was transformed into Nepal Doorsanchar Company Limited (NDCL), a general public company, from Baisakh 1, 2061. Nepal Doorsanchar Company Limited is known to the general public by the brand name "Nepal Telecom" which is its registered trademark. Nepal Telecom offers various services as an Internet Service Provider at the cheapest price. So is one of the best ISP for users having medium level of income and those who don't want to spend much money on the internet. Nepal Telecom is the largest Internet Service Provider (ISP) which includes ADSL service, WiMax, Cable/FTTH, and Internet Lease Line services which are subscribed by more than 11,68,000 users in Nepal till Poush 2076 according to NTA's MIS report.

The popular services offered by Nepal Telecom for the internet are:

- **NT ADSL**

NT ADSL service requires a PSTN (Landline Telephone) connection. You will need to buy an ADSL Wi-Fi router and splitter to use this service after subscribing to NT ADSL from your nearby Nepal Telecom office.

- **NCELL**

Ncell is the trademark for Nepal used by a multinational telecommunication corporation Ncell Axiata Limited. It offers internet service through EDGE, GPRS and USB Modem. Although the internet speed is little faster, it has been criticized for its unreasonably higher tariff rates..The company has now revised the fixed wireless broadband service packs and named it as HomeNet. There are three packages namely HomeNet Ultra, HomeNet Super, and HomeNet Max to provide a smooth wireless internet connection based on 4G.

The need for affordable, secure, and fast internet connections is a prominent thing people of Nepal want to experience. People are tired of paying a high amount and getting lousy internet service, which makes their daily life and works complicated.

- **VIANET**

Vianet is one of the fastest-growing ISP of Nepal serving since 1999. It is available in almost every major area of towns and cities in Nepal. Ultra-high-speed FTTH network internet service was first introduced by Vianet in Nepal. They provide internet as well as IPTV service. They currently provide three different packages with varying speeds which include 25 Mbps, 30 Mbps, 35 Mbps, 40 Mbps, and 60 Mbps internet. Vianet also provides an ultra boost of up to 100 Mbps internet speed for downloading and customers can also manually purchase more Ultra boost data from Vianet. They also provide a 1-month free Via Secure service to their customers. Customers can choose the IPTV service of NetTV in which all channels are free on monthly subscriptions. Vianet is the fourth largest ISP of Nepal in terms of the market share with a total of more than 95 thousand customers.

- **WORLDLINK**

Worldlink is one of the largest Internet Service Providers of Nepal and is available in 63 out of 77 districts of Nepal. It covers nearly 48% of Fiber Internet market of Nepal providing service to more than 3,63,000 customers according to NTA's MIS report and stands out as the second-largest ISP provider after Nepal Telecom in Nepal. Worldlink also provides IPTV service along with internet service.

They provide three different packages on the basis of internet speed of 25 Mbps, 40 Mbps, and 60 Mbps. Worldlink provides Net TV, Safe Net, GO Discount App, Time Back and WiFi Mobility services and some sort of offers in all of its packages.

- **SUBISU**

SUBISU is another growing internet service provider serving cable internet in Nepal since 2001. It provides cable and fiber internet as well as Digital TV services. SUBISU is also the first and only one Cable Internet Service Provider and the only Cable operator in Nepal to have ISO 9001:2015 (Quality Management System) and ISO 27001:2013 (Information Security Management System) certifications.

It provides the internet service in 66 districts of Nepal and has more than 1,01,000 customers making it the 3rd largest ISP of Nepal. It provides FTTH internet-only excluding the Clear TV cost. If one is interested to subscribe Clear TV, then internet speed is slightly lower than normal packages. SUBISU also provides cable internet service which is less popular nowadays.

- **CLASSIC TECH**

Classic Tech is a famous ISP that made its fame for wireless service in Nepal. They used to provide general internet services through Wi-Fi. Now they are deep diving into the FTTH game. It can be seen that Classic Tech is expanding the fiber network inside Kathmandu valley. They have some big users like NPL, NAC, JME, etc. They also have good records of customer care and response. They pick up phone always and assist customers promptly in solving the connection related problems.

Classic Tech offers FTTH based internet and just recently started bundling it with Prabhu TV; which is the first **DVBT2** (Digital Video Broadcasting – Second Generation Terrestrial) service in Nepal.. The data from NTA shows that they have around 81,515 subscribers.

- **POKHARA INTERNET**

Pokhara Internet Pvt. Ltd. is an innovative market leader in the internet industry listed in Pokhara. With sustained growth the company has become a dynamic and integrated force providing internet and VPN solutions through one of the largest networks in Pokhara. Our own network infrastructure has significant investment being built from a Cable internet base, and today includes fiber and wireless services. Pokhara Internet Pvt. Ltd has grown over its 10 year's history of providing IT systems and services to be one of Pokhara's largest Internet and Network Service Providers (ISP). Pokhara Internet provides a diverse range of IT products and services to residential users, businesses and SMEs, government and large corporate enterprises. Pokhara Internet offers internet access through cable, wireless and fiber base, and email services.

Pokhara Internet is one of the best ISP in Pokhara. It offers high-speed internet through optical fiber and wireless internet. Users can get facilities of unlimited downloads and uploads.

2.1.3 Service Quality

Service quality, with increased competition, has become a popular area for academic studies and has been recognized as a competitive advantage and supportive relationship with satisfied customers (Zeithmal, 2000). Also, quality of service has become an important tool in the service industry. According to Saghier, and Nathan (2013), service quality is an important concept in the service industry and is more important for financial service providers who have difficulty in showing their customers product differentiation. Service providers often seek to understand what external or internal customer care about or are concerned about.

As defined by Parasuraman et al. (1988) service quality is the evaluation of a service by customers achieved by comparing its actual performance and the general expectations of its performance. It can also refer to the difference in expectations by customers regarding its performance and its actual performance (Parasuraman et al., 1988; 1985). Parasuraman et al. (1988) identified five dimensions of service quality identified as SERVQUAL dimensions: tangibles, reliability, assurance, empathy and responsiveness. Tangible concerns the appearance of equipment, physical facilities, communication materials and personnel. This dimension translates to the appearance and interior of the organization. It signals quality and conveys the image of a firm (Zeithaml et al., 2006). Reliability concerns the ability of service to dependably and accurately perform the promised service or delivering on its promises (Zeithaml et al. 2006). According to Zeithaml et al. (2006) noted that reliability as a dimension of service quality is critical as customers often want to companies that implicitly communicate and keep to their promises. Responsiveness refers to the willingness to offer prompt service and help customers (Zeithaml et al., 2006). It is concerned with customers' requests, complaints and questions attentively and promptly. A responsive firm often communicates with them and how long it takes to deal with their problems or answer their questions (Zeithaml et al., 2006). Assurance refers to the employees' courtesy and knowledge and their ability to convey confidence and trust to customers. Lastly, empathy refers to the caring and individualized attention provided by affirms to its customers. Empathy can be offered in several ways: knowing customers' name, their needs and preferences (Zeithaml et al., 2006; Andaleeb& Conway, 2006; Harr, & Lily, 2008).

2.1.4 Service Quality Dimensions

Gronroos (1984b) identified two service quality dimensions the technical aspect that is "what" service is provided and functional aspect and "how" the service is provided. The customers perceive what he/she receives as the outcome of the process in which the resources are used that is the technical quality. But he also and more often importantly, perceives how the process itself functions that is the functions quality.

2.1.4.1 The SERVQUAL Instrument

The SERVQUAL instrument developed by Parasuraman et al (1991) has proved popular, being used in many studies of service quality. This is because it has a generic application and is a practical approach to any area. A number of researchers have applied the SERVQUAL model to measure service quality in the hospitality industry with modified constructs to suit specific hospitality situations.

Parasuraman et al. (1985) developed the gap model and the subsequent SERQUAL instrument designed to identify and measure the gaps between customers' expectations and perceptions of the service received. Service quality from the consumer's perspective depends on the direction and degree of difference between the expected service and the perceived service. Thus by comparing customer's expected service with customer's perceived service, hotels, for example can determine whether its service standard is appropriate. The gap between expectations and perceptions of performance determines the level of service quality from a customer's perspective.

The SERQUAL instrument consists of 22 statements for assessing consumer perceptions and expectations regarding the quality of a service. Respondent are asked to rate their level of agreement or disagreement with the given statements. Consumer's perceptions are based on the actual service they receive while consumer's expectations are based on past experiences and information received. The statements represent the determinants or dimensions of service quality.

2.1.4.2 Five dimensions of service quality measured by the SERVQUAL Instrument

The SERVQUAL Instrument measures the five dimensions of Service Quality. These five dimensions are: tangibility, reliability, responsiveness, assurance and empathy.

i. Tangibility

Since services are tangible, customers derive their perception of service quality by comparing the tangible associated with these services provided. It is the appearance of the physical facilities, equipment, personnel and communication materials. In this

survey, on the questionnaire designed, the customers respond to the questions about the physical layout and the facilities that FFR offers to its customers.

ii. Reliability

It is the ability to perform the promised service dependably and accurately. Reliability means that the company delivers on its promises-promises about delivery, service provision, problem resolutions and pricing. Customers want to do business with companies that keep their promises, particularly their promises about the service outcomes and core service attributes. All companies need to be aware of customer expectation of reliability. Firms that do not provide the core service that customers think they are buying fail their customers in the most direct way.

iii. Responsiveness

It is the willingness to help customers and provide prompt service. This dimension emphasizes attentiveness and promptness in dealing with customer's requests, questions, complaints and problems. Responsiveness is communicated to customers by length of time they have to wait for assistance, answers to questions or attention to problems. Responsiveness also captures the notion of flexibility and ability to customize the service to customer needs.

iv. Assurance

It means to inspire trust and confidence. Assurance is defined as employees' knowledge of courtesy and the ability of the firm and its employees to inspire trust and confidence. This dimension is likely to be particularly important for the services that the customers perceives as involving high rising and/or about which they feel uncertain about the ability to evaluate. Trust and confidence may be embodied in the person who links the customer to the company, for example, the marketing department. Thus, employees are aware of the importance to create trust and confidence from the customers to gain competitive advantage and for customers' loyalty.

v. Empathy

It means to provide caring individualized attention the firm provides its customers. In some countries, it is essential to provide individual attention to show to the customer that the company does best to satisfy his needs. Empathy is an additional plus that the trust and confidence of the customers and at the same time increase the loyalty. In this competitive world, the customer's requirements are rising day after day and it is the companies' duties to their maximum to meet the demands of customers, else customers who do not receive individual attention will search elsewhere.

2.2 Review of Past Studies

Jamal and Nassir (2003) examined the determinants of consumer satisfaction in retail banks in Pakistan. The questionnaire survey was administered among randomly selected 300respondents (costumers) associated with the Women Bank in Pakistan and the study of the data so obtained showed strong relationship between various dimensions of service quality and consumer satisfaction. However, the relationship between tangible and consumer satisfaction was not supported by the study.

By facilitating the consistent connection to the web, internet service providers (ISP) enable people to work, socialize, trade and read or watch content online. As such, internet providers offer an invaluable service to their clients. Of course, to get the most out of online experience, we need to choose the best internet service provider. "Who is the best internet provider" is a question that every aware customer is expected to ask themselves. But before selecting the best internet service provider the consumer must need to know the access to the internet.

Consumer satisfaction has been a popular topic in marketing practice and academic research since Cardozo's (1965) initial study of consumer effort, expectations and satisfaction. Despite many attempts to measure and explain consumer satisfaction, there still lack a firm consensus among scholars and theorists regarding its definition (Giese and Cote, 2000). Consumer satisfaction is typically defined as a post consumption evaluative judgment concerning a specific product or service (Gunderson, Heide and Olsson, 1996). It is the result of an evaluative process that contrasts prepurchase expectations with perceptions of performance during and after the consumption

experience (Oliver, 1980). The most widely accepted conceptualization of the consumer satisfaction concept is the expectancy disconfirmation theory (McQuitty, Finn and Wiley, 2000). The theory was developed by Oliver, who proposed that satisfaction level is a result of the difference between expected and perceived performance. Satisfaction (positive disconfirmation) occurs when product or service feature is better than expected. On the other hand, a product performance worse than expected results is dissatisfaction (negative disconfirmation). Studies show that consumer satisfaction may have direct and indirect impact on business results. Luo and Homburg (2007) concluded that consumer satisfaction positively affects business profitability. The majority of studies have investigated the relationship with consumer behavior patterns (Dimitriades, 2006; Olorunniwo et al., 2006; Chi and Qu, 2008; Faullant et al., 2008). According to these findings, consumer satisfaction increases consumer loyalty, influences repurchase intentions and leads to positive word-of-mouth. Given the vital role of consumer satisfaction, it is not surprising that a variety of research has been devoted to investigating the determinants of satisfaction. Satisfaction can be determined by both subjective (e. g. consumer needs, emotions) and objective approaches (e. g. product and service features). In case of hospitality industry, there have been numerous studies that examine attributes that travelers may find important regarding consumer satisfaction. Atkinson (1988) found out that cleanliness, security, value for money and courtesy of staff determine consumer satisfaction. Knutson (1988) revealed that room cleanliness and comfort, convenience of location, prompt service, safety and security, and friendliness of employees are important aspects of consumer satisfaction. Barsky and Labagh (1992) claimed that employee attitude, location and rooms are likely to influence satisfaction. A study conducted by Akan (1995) showed that the main determinants of hotel guest satisfaction are the behavior of employees, cleanliness and timeliness. Choi and Chu (2001) concluded that staff quality, room qualities and value are the top three hotel factors that determine the satisfaction.

Internet technology has been developing rapidly in recent years, and offers new research possibilities, particularly when working with hard-to-reach groups who may benefit from a move away from more traditional methodologies. The research has been informed by various methodologies, and is flexible in its application and nature,

varying from an analysis of the content of web pages (Jones, Zahlm and Huws 2001), to complex discourse analytic techniques of 'electronic conversations', (Denzin, 1999). One of the most common uses of the Internet as a research tool has focused on the use of online questionnaires, via web page delivery or e-mail, and has proved useful in providing novel insights into research questions (see for example Coomber's,1997 investigations of drug dealers) as have on-line focus groups, and real-time interviews (O'Connor and Madge, 2000).

Mann and Stewart (2000) do however acknowledge that obtaining informed consent for participant observation in discussion groups can be more problematic, as can the crucial question as to whether informed consent needs to be gained before observation begins. In face to face participant observation work, informed consent is rarely obtained. Denzin (1999) chose to follow this lead and never obtained the consent of his participants before quoting postings, neither did he identify himself to the group as a researcher.

Lee et al. (2001) examined the moderating role of switching costs in the consumer satisfaction-loyalty link and identified consumer segments and then analyzed the heterogeneity in the satisfaction-loyalty link among the different segments. The study revealed that the main objective of consumer satisfaction program is to increase retention rates.

Hedman (2005) described the user experience on internet to understand the user experience of smart phones over time as perceived by its users. According to the data, the way the artifact consumption values changes over time. Functional values increase for some participants and decline for others. The direction and magnitude of change is affected by pre-adoption expectations. Social value declines over time due to many factors including the rapidly changing nature of technology in which the coolness factors rapidly wears off as other products mimic an innovative artifact. For instance, emotional value is derived both from the iphone itself (the aesthetic appearance and way it feels to the touch) as well as by software and its associated services. The artifact itself satisfies epistemic value, as do the third party applications, websites etc. the optimistic value inherent with the iphone drops rapidly. Much of the contextual value strongly depends upon whether an internet-connected personal device is available.

The choices made by the current researchers raise issues on surrounding dilemmas as to informing participants of the research, and the consequent risk of the 'Hawthorne Effect', (Heiman 1999). Participants may refuse to participate in the research if they are aware of the project, which on this occasion did not happen, as well as the risk of interfering with the natural environment due to the awareness of the presence of the 12 researchers. In the current research project concerning the use of discussion lists by people with autism, ethics were taken as paramount in resolving this dilemma. The project was not about 'observing' the idiosyncrasies of people with autism, but about engaging them in meaningful research which would promote self-advocacy, and document the ways in which people with autism interact in highly sophisticated ways.

The service delivered by ISP essential has huge impact in people's daily life in either of the ways. Indeed ISP have made people's life dynamic and smarter by organizing their daily life activities with a single device and providing access to the world-wide information at the fingerprints. It does not only organize daily life by putting calendars, to do list and shopping list at one place but also helps people connected from all over the world by means of emails, social-networking, messaging and even video chats. We can use the internet for educational purposes, for businesses, in workplaces, and to entertain ourselves by watching the audio/visuals resources. That is the main reason that many people use internet nowadays. Analyzing measures of consumers' satisfaction is an immense dilemma because consumers are becoming more demanding regarding internet service quality in Nepal. It is important to understand the impact of service quality on consumer satisfaction. Nowadays, the only demand of the consumers is to get the good value for their money. Due to increased market competition no one can deny the significance of service quality. Therefore, it is challenging for the businesses to meet the consumer expectation. By reviewing the study, concerned people in internet sector can learn the major factors of service quality that influence consumers' satisfaction. It also provides understanding that building long term and a strong consumer relation is critical for the ISP sectors. This study provides insight of service quality impact on consumer satisfaction in ISP of Nepal. This is based on the core dimensions of service quality i.e. tangibility, responsiveness, assurance, empathy and reliability. This study was based in Pokhara region, mainly to highlight the significance of service quality and consumer satisfaction as experienced by the local residents. The

results of the study suggest consumer satisfaction based on service quality dimensions such as tangibility, empathy and assurance having positive and significant relationship. But reliability and responsiveness was not useful estimator for consumer satisfaction whereas assurance, responsiveness, tangibility and empathy depict significant impact and positive relationship with consumer loyalty. However reliability once again not found as useful estimator of consumer loyalty.

Related to ethics are power issues in Internet research, which need important consideration. Several discussions have taken place concerning power issues in Internet research. Mann and Stewart (2000) discuss the loss of social cues online, which may inform power relations in face to face situations, and Dubrovsky et al (1991) further cites evidence that discussion groups online tend to be less dominated by those with high status. The nature of online discussion groups means that they can consist of a wide range of people offering several discourses surrounding a topic. Discourses that can be accessed range from 'expert'/professional knowledge, to experiences of family members and those directly affected. Online discussion groups may therefore provide an alternative pool of language resources from which to draw identities. Bowker (1999) suggests that these 'linguistic opportunities' offered within online environments enable people with disabilities to 'reconstruct more empowering identities', as more discursive themes surrounding the self are made available.

In a related point, Elgesem (1996) proceeds to discuss the question of ownership of internet data. Elgesem's principle of disclosure limitation proposes that personal data should not be communicated externally without the consent of the individuals who supplied the data. However, Kitchin (1998) questions who owns a message which has been posted on a bulletin board? Should such messages be considered as having a copyright in the same sense as articles, essays, and the like, or are these public properties as they appear on a public notice board? Schrum (1995) proposes that individual rights and copyright issues must be considered and addressed the moment the researcher decides to become an "electronic ethnographer".

The study of the service quality was conducted by different scholars at different times regarding the quality level of different product.

Parsuraman, Zeithaml and Berry (1985) explained service quality as the comparison

between customer expectations and perceptions of service. They suggested mainly three main themes on service: the service quality is more difficult for customers to evaluate than product's quality. The service quality perceptions result from a comparison of consumer to consumer expectations with actual service performance. The quality evaluations were not made solely on the outcome of service: they also involve evaluations of the process involved in service delivery. The service quality dimensions are related with the satisfaction level of the customers and the firm in long run and it would lead to the actual performance of the firm.

Zeithaml (2000) developed e-SERVQUAL for measuring e-service quality. It identified eleven dimensions of online service quality: access, easy for navigation, efficiency, flexibility, reliability, personalization, security, responsiveness, assurance, site aesthetics, and price knowledge. It identified four dimension- efficiency, reliability, fulfillment and privacy to form the core e-SERVQUAL scale. The study also found that three dimensions become significant only when the online customers have questions or run into problem- they are responsiveness, compensation level of the firm in long run so that it would focus more on the customer satisfaction with the improvement in the service quality dimensions.

Kaynama, Black and Keesling, (2003) in a study titled "Impact of the Internet on Internet Service Quality Factor: The Travel Industry Case" explained about the impact of quality in service industry, particularly travel industry, can lead to the use of internet for better quality. The use of the internet can have better impact for the growth of other industries as well.

2.3 Research Gap

Though, the customer satisfaction among the internet service providers is one of the new areas of study in the field of management, there are some studies done around this topic.

Sunil Erevelles and his research team examined the essential process that results in consumer satisfaction and switching pattern among ISPs using various satisfaction model such as expectaion-dicomfortation model, the attribution model, and an affective model (Erevelles et. al, 2003.). In another study by Ana Buhaljoti, attempts are made to investigate the factors influencing customer satisfaction towards ISPs in Albania

(Buhaljoti, 2019). In this study, the quality of the service was found to be most important determinant that may lead to customer satisfaction.

However, no one has tried to assess the customer satisfaction among major ISPs using the quality dimensions such as tangibility, reliability, responsiveness, assurance and empathy in growing city area of Nepal. I am quite hopeful that the findings of this study will help learn the process of customer satisfaction among ISPs from different angle.

Prospect of Nepal

In previous research surrounding the customer satisfaction with service, meeting and exceeding expectations of clients and consumers is a perspective that has gained most attraction. This concept is all inclusive and cuts across service domains, but expectations change and experiences with alternate service providers could shape the consumers' expectations. The important research gap here is about attaining consumers' expectation towards a particular service. The descriptive research design has been adopted for searching the adequate data and information about factors affecting the consumer's satisfaction towards internet service providers. This study also used the casual comparative research design to establish the cause and effect relationship whereas perceived usefulness, perceived ease of use, perceived enjoyment, price and brand with speed with consumer's satisfaction. Casual-comparative research design attempts to determine the cause or consequences of differences that already exist between the variables and the relationship between independent and dependent variables.

2.4 Conceptual Framework

The study by Mugo Mary, (2013) had been taken as the key paper for the proposal. The purpose of the study was to find the factors leading to the quality of internet service provider in Kenya. The topic of the study was "What were the major factors which can be handy for the quality maintenance of the internet service provider?". The study consisted of 440 internet users in Nairobi and 22 Internet Service Provider. The perception level of the users and providers in case of quality of service and the determinants of service quality was explored. The dimension of reliability,

responsiveness, assurance, empathy and tangibles were taken for the measurement for the quality of service. The elements like dependable service in the designated time prompt service, politeness, accessible on phone and good equipment were considered for the quality of ISP. On the basis of key paper, current research has been initiated that focuses on the ISP companies in Pokhara. The service quality is dependent variable whereas independent variables are empathy, responsiveness, tangibility, assurance and reliability and income level, age group, occupation and education as moderating variables in the study. It will help to establish the relationship between these three variables for the completion of the research. These five dimensions measure consumer expectations and perceptions of service quality and are discussed in the following passages.

The framework explains about the relationship between independent and dependent variables in the study. The factors affecting the study are targeted by the theoretical framework.

Tangibles – refers to everything in a service provider that can be physically observed by consumer, who is purchasing a service, including equipment, personnel, physical facilities, materials and appearance. These qualities provide concrete cues for consumers to evaluate the capability of the service provider. Well-skilled first line personnel, the quality of products, brochures and cards, may represent ISP tangibles.

Reliability – refers to the trust to company's ability of performing service in a proper way, such as acting according to promises and declarations. A reliable ISP means the ISP is able to provide internet connection that is working at desired level of throughput, without significant failures, according to declarations and agreement between ISP and user.

Responsiveness – refers to service provider's willingness to help consumers and provide prompt service. It can be measured by the amount of time needed to deal with consumers' reported problems and the response duration once the consumer filed a service request. For example, responsiveness of an ISP evaluates the time taken to response with consumer complaints on Internet connection disruptions, duration of problem solving and feedback to the consumers.

Assurance – is the knowledge and courtesy of employees and their ability to inspire trust and confidence. Since risk (such as money loss) is involved when consumer decides to acquire service from a service provider, assurance is important to demonstrate cue to increase consumer trust and confidence. ISP may demonstrate assurance to consumers by behaving courteously and by providing essential knowledge to guide consumer problems.

Empathy – refers to the caring, individualized attention the service provider gives to its consumers. There may be many services provided by ISP. Furthermore, consumers who subscribe to an ISP come from different social background and hence ISP could emphasize personalized attention on consumers and understand specific needs of consumer based on their requirements.

On the basis of literature review the following conceptual framework is prepared.

Conceptual framework for measuring customer satisfaction

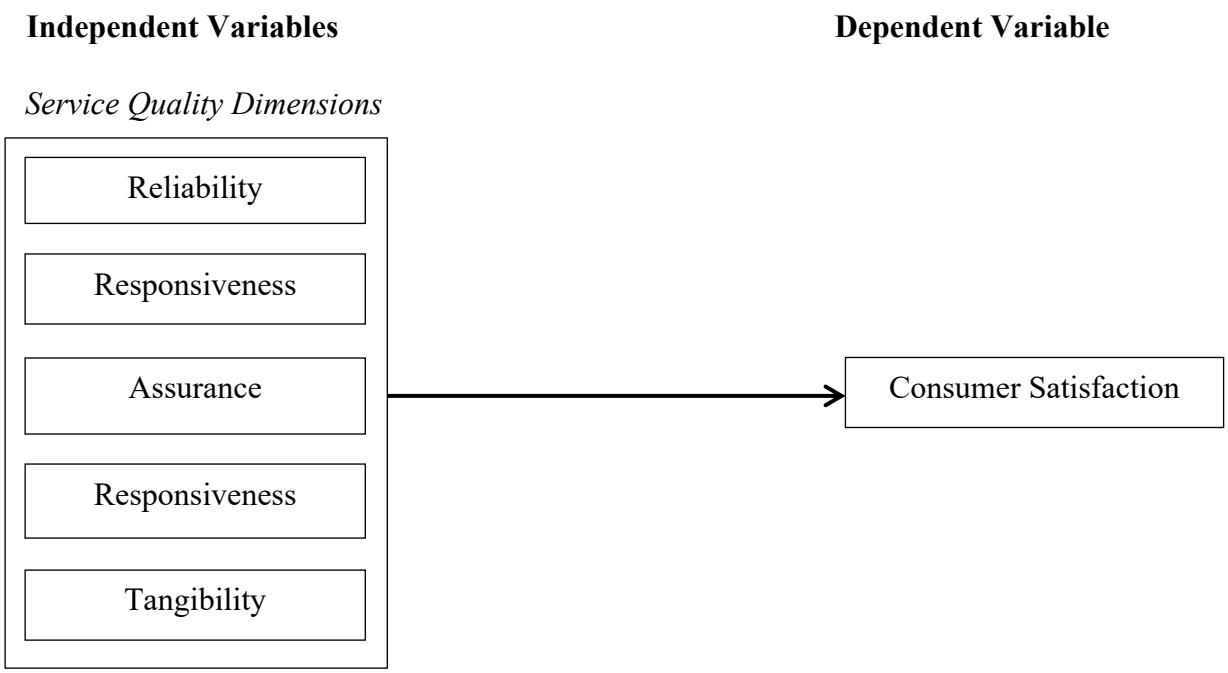

Figure 2.1: Conceptual Framework

CHAPTER-III

RESEARCH METHODOLOGY

The research methodology refers to the specific procedures or techniques that were used to gather, process, and analyze the information and to draw the conclusion about consumer satisfaction of service provided by ISP in Pokhara. In order to fulfill the research objectives, various techniques such as research design, sources of the data, questionnaire design, measurement and scaling, sampling design, field management and data collection, data management and analysis and eventually the research report were prepared.

Participants were asked to list their current ISP and their past ISP (if they had one). After some general questions on usage patterns, participants were asked to rate their perceptions of the importance of eight attribute variables selected in the earlier process. They were then asked to rate their current and past ISP on those attributes.

Collection of necessary information and data sets out overall plan associated with a study. The methodology may include both present and historical information. It provides a basic framework on which the study is based. Before presenting the analysis and interpretation of data, it is necessary that research methodology be described first.

3.1 Research Design

This study has employed descriptive cum analytical research design to deal with issues associated with the consumer satisfaction among major ISP in Pokhara. The descriptive research design has been adopted for searching the adequate data and information about factors affecting the consumer satisfaction towards internet service providers. This study also used the analytical research design to establish the impact of service quality dimensions on customer satisfaction. Casual-comparative research design attempts to determine the cause or consequences of differences that already exist between the variables and the relationship between independent and dependent variables.

3.2 Population and Sampling

Population of this study constitutes all the subscribers of internet services in Pokhara. Internet users, currently connected or once connected were considered as population unit for the ongoing research.

For the purpose of fulfilling research objectives sample size was taken 150. The targeted respondents in this study are the internet subscribers currently working in Pokhara due to which the researcher has managed to reach different places within the whole Pokhara city to collect responses from individual subscribers.

3.3 Sampling plan and procedure

For this study on customer satisfaction among ISP, sampling unit consists of individuals currently connected to one of the ISP for internet services or those who recently left using the existing ISP and looking for new one in Pokhara. The non-probability (convenience sampling), was used to select respondents as the sample units and to collect necessary information using structured questionnaire. Both male and female respondents of different age group were included in the sample. Though initially, questionnaire set were distributed to all 150 individuals, only 123 (i.e. 82%) returned to the researcher. Using convenience sampling, sample units were selected keeping in mind the notion of representation from all demographic groups as well as from subscriber base of all ISPs as far as possible. Respondents were first informed of the purpose of data collection and assured of information confidentiality. Then

following their consent for participating in the survey, Google Forms consisting of necessary instructions and topic related questions were distributed online and requested to send back to the researcher with not much delay. Received filed-up forms were compiled and data were transformed to MS-Excel spreadsheet and then into SPSS V 20 software for data cleaning, processing, and further analysis.

3.4 Source of Data

This study is based solely on primary data because data were collected through structured questionnaire. The primary data and other necessary information is collected and analyzed to determine the relationship between consumer satisfaction towards internet Providers Company and the factor affecting it in Pokhara. The data collection tool was prepared on "Google Forms" and tested for ease of use. They were then distributed online to the targeted respondents. The data were stored from returned survey forms. Data were analyzed using descriptive cum analytical research design.

3.5 Method of Data Collection

A set of questionnaire with different sections was prepared in the "Google Forms" and distributed online to the randomly selected consumers from a list of internet users. During the filling of the questionnaire, the researcher clarified the purpose of conducting the survey, the questions and set of possible responses. If the respondent did not want to give the response to the entire questions, the researcher requested them to fill the entire questionnaire. After collecting the responses, the entire questionnaires were kept intact and safe.

3.6 Data Analysis Instrument and Tools

3.6.1 Descriptive Methods

As the major data analysis instrument some common descriptive measures were used. In this case frequency distribution and percentage distribution were used to present findings associated with the quantitative variables. Likewise, mean and standard deviation (SD) of various rating response obtained from Likert Scale questions were calculated using the formulae;

$$\text{Mean score } (\bar{x}) = \frac{\sum x_i}{n}$$

$$\text{SD of score } (s) = \sqrt{\frac{\sum (x_i - \bar{x})^2}{n}}$$

Where, x_i is the respondent's rating response, n is the total sample units

And the results thus obtained were presented in different tables.

3.6.2 Inferential Methods

In addition to descriptive tools one inferential method, Binary Logistic Regression was used as a part of data analysis. The main variable of interest in the study is response on customer satisfaction query which is binary outcomes; satisfied or not satisfied. Due to this, Binary Logistic Regression was used to predict customers satisfaction status from a group of explanatory variables related to quality dimension. The general Binary Logistic Model is;

$$\text{logit } P(X) = \alpha + \sum \beta_i X_i$$

Where, α is constant, β_i's are the regression coefficients associated with X_i independent variables used in the model and P(X) is the predicted risk and defined as;

$$P(X) = \frac{1}{1 + e^{-(\alpha + \sum \beta_i X_i)}}$$

3.7 Data Processing and Presentation

After the collection of data, researcher used quantitative tools for data analysis. Analysis of data is a process of inspecting, cleaning, transforming, and modeling data with the goal of discovering useful information, suggesting conclusions, and supporting in decision-making.

The responses were collected and the data were arranged and analyzed using Microsoft-Excel and popular statistical software SPSS version 20. With the help of these software, the collected data were analyzed through various approaches such as, analysis of demographic profile, descriptive analysis and logistic regression.

CHAPTER -IV

PRESENTATION AND ANALYSIS OF DATA

The main purpose of this study is to present the current status of service quality dimensions of major Internet Service Provider in Pokhara. A set of questionnaire with different section was prepared in the "Google Forms" and distributed online to the consumers who use internet in Pokhara. The respondents profile along with their personal characteristics and result of the survey are presented in following sections. The responses were collected and the data were arranged and analyzed using SPSS software. With SPSS software, the collected data were analyzed through demographic profile, and descriptive analysis. All the collected data were entered into SPSS spreadsheet and then the following analysis has been carried out.

4.1 Demographic Characteristics

There were five socio-demography related queries asked to complete in order to obtain their personal details. These were age, gender, income level, academic qualification and occupation. The distribution of sample information based on these demographic profiles is presented in order of characteristics of the respondents influencing the results. In order to demonstrate the findings or results the demographic profile of the consumers are presented in APA Formatting and Style Guide, 6th Edition.

4.1.1Gender

Table 4.1

Internet users by gender

Gender	Frequency	Percentage
Male	60	48.80
Female	63	51.20
Total	123	100

Source: Field Survey, 2021

Table 1 shows the respondents' distribution of gender. In the sample of 123 internet

users, 51.20% of them were females and remaining 48.8% were males. It can be concluded that the percentage of female respondents were little higher than the male respondents.

4.1.2Age group

Table 4.2

Internet users by age group

Age	Frequency	Percentage
Below 20	13	10.60
20-30	101	82.10
31-40	7	5.70
Above 40	2	1.60
Total	123	100

Source: Field Survey, 2021

Table 2 shows the distribution of age group of respondents. In the given sample, 10.60% of them were below 20 years. Likewise, 82.1% and 5.70% were of the age group 20-30 years and 31-40 years respectively. Similarly, 1.6% of them were of the age group above 40 years. It can be concluded that the highest number of respondents were from the age group 20 to 30 years.

4.1.3 Educational level

Table 4.3

Internet users by education level

Education Level	Frequency	Percentage
SLC	2	1.60
PLUS 2	10	8.10
Bachelor	61	49.60
Master or above	50	40.70
Total	123	100

Source: Field Survey, 2021

Table 3 shows the distribution of education level of respondents. In the given sample,

1.6% of them were SLC graduate. Likewise, 8.10% and 49.60% were Plus-2 and Bachelor graduates respectively. Similarly, 40.7% of them were Masters Graduates. From the data, it can be concluded that the highest number of respondents were Bachelors' degree holders.

4.1.4 Income level

Table 4.4

Distribution of internet users by income level

Income Level (NRs)	Frequency	Percentage
Less than 15000	78	63.40
15000-50000	39	31.70
50000 above	6	4.90
Total	123	100

Source: Field Survey, 2021

Table 4 shows the distribution of monthly income level of respondents. In the sample, 63.4% of them have an income level less than NRS.15, 000. Likewise, 31.70% and 4.90% have an income level of 15,000 to 50,000 and 50,000 above respectively. It can be concluded that the highest number of respondents have income level of less than 15,000 monthly.

4.1.5 Occupation

Table 4.5

Distribution of internet users by occupation

Occupation	Frequency	Percentage
Unemployed	9	7.30
Employees	32	26.00
Student	73	59.30
Business owners	9	7.30
Total	123	100

Source: Field Survey, 2021

Table 5 shows the distribution of occupation of respondents involved in the study. In

the given sample, 7.30% of them were unemployed. Likewise, 26% were employed and as much as 59.30% were students. Similarly, 7.3% of them have their own business. From the data, it can be concluded that the highest number of respondents were students.

4.1.6 Current ISP as stated by the users

Table 4.6

Distribution of current ISP as stated by the users

Current ISP	Frequency	Percentage
Nepal Telecom	11	8.90
Worldlink	71	57.70
Pokhara Internet	14	11.40
Vianet	14	11.40
Classic Tech	4	3.30
Other	9	7.30
Total	123	100

Source: Field Survey, 2021

Table 6 shows the frequency distribution of ISP companies as mentioned by the respondent as current ISP. Worldlink has the highest number of internet subscribers with 57.70%, followed by Pokhara Internet and Vianet with 11.4% each, Nepal Telecom with 8.9%, 7.3% uses other and remaining 3.3% use Classic Tech.

4.1.7 Distribution internet users by frequency of use

Table 4.7

Internet users by frequency of use

Use in a day	Frequency	Percentage
<1 hour	3	2.40
1-3 hours	24	19.50
3-5 hours	37	30.10
5-10 hours	39	31.70
>10 hours	20	16.30
Total	123	100

Source: Field Survey, 2021

Table 7 presents the distribution of respondents according to the frequency of use. In the surveyed sample, 2.4% of respondents use internet for less than 1 hour. Likewise, 19.50% and 30.10% use internet for 1 to 3 hours and 3 to 5 hours respectively. Similarly, 31.70% and 16.30% of them use for 5 to 10 hours and more than 10 hours respectively. From the data, it can be said that the highest number of respondents use internet on average for 5 to 10 hours on daily basis.

4.1.8 Purpose of the Internet use

Table 4.8

Purpose of the Internet use

Purpose	**Frequency**	
	Yes	**No**
Normal Chatting	85	38
%	69.1	30.9
Email	88	35
%	71.5	28.5
Multimedia access	73	50
%	59.3	40.7
Social Networking	101	22
%	82.1	17.9
Web surfing for content and information	91	32
%	74	26

Source: Field Survey, 2021

The survey finding confirms that 69 % of the respondents using internet for normal chatting, while the remaining 31 % not use internet for chatting. which clearly shows that more than two thirds of respondents' using internet for chatting.

One of the popular uses of internet is for communicating via email. From the analysis of survey findings it is found that more than 70% of the respondents reporting they use internet primarily for email. It can be concluded that a large fraction of respondents using internet for email.

From the Table 4.8 it is known that 40.7% of respondents do not use internet for multimedia access, while the remaining 59.3% respondents use internet for multimedia access.

Using of internet for social networking has been emerging as popular trend especially among young generations. Well over four-fifth of the respondents (82.1%) who use internet for connecting with people via social networking. Only 17.9% of these respondents not use internet for social networking.

Also it is found that 76% of respondents were using internet to query content and information, while the remaining 26% of these respondents do not use internet for content and information. It can be concluded that large percentage of survey respondents using internet to search content and information.

4.1.9 Ranking for factors affecting ISP

Table 4.9

Ranking for factors affecting ISP

Factors	**Frequency**				
	1(LP)	**2**	**3**	**4**	**5(MP)**
Speed	36	18	12	15	42
%	29.3	14.6	9.8	12.2	34.1
Smoothness in connection	14	29	26	37	17
%	11.4	23.6	21.1	30.1	13.8
Maintenance	9	18	48	31	17
%	7.3	14.6	39	25.2	13.8
Offers and Scheme	11	36	25	28	23
%	8.9	29.3	20.3	22.8	18.7
Popularity	29	17	30	22	25
%	23.6	13.8	24.4	17.9	20.3

Source: Field Survey, 2021

Table 9 shows the distribution of respondent's ranking of ISP on the basis of speed. The speed has been ranked 5 (i.e. as most preferred) by large number of internet users which consists of 34.1% of the total respondents. More than 30% of the respondents ranked 'The smoothness in connection' as 4 which imply that smoothness in internet connection is also important sought after feature of the internet service.

As shown in the Table 4.11, nearly two-fifth of the respondents ranked 3 for 'Maintenance', implying that maintenance is somehow important factor to consider an ISP as a dependable. Same table presents the ranking information by respondents in the sample for ISP on the basis of offers and scheme they provide. Higher percentage of respondents (i.e. 29.3%) rated 2 for 'offers and scheme' indicating that offers and schemes provided by company are not much important factors affecting the ISP. This means that popularity of the ISP, as viewed by respondents, doesn't make much difference in the services provided by the ISP. The 'offers and scheme' has been considered 2 by 29.3% of the respondents. Similarly, nearly one-quarter of the survey respondents (i.e. 24.4%) ranked 3 to 'popularity' while considering their ISP.

4.1.10 Satisfaction level of internet users with current ISP

Table 4.10

Satisfaction level of internet users with current ISP

Satisfaction level	Frequency	Percent
No	43	35
Yes	80	65
Total	123	100

Source: Field Survey, 2021

Table 10 shows the satisfaction level of respondents with their respective current ISP. Of all surveyed intent users, 65% were satisfied with the services provided by their ISP and remaining 35% were unsatisfied. However, a large portion of the respondents were satisfied with their ISP.

4.1.11 Analysis of statements

This section provides the information regarding the consumer satisfaction in major

internet service providers in Pokhara. Descriptive analysis consists of frequency, mean, and standard deviation, minimum and maximum of outcome referred to the queries asked to the respondents. Likert scale and linear scale was used for the analysis of the variables. Five linear scale was used for the analysis of the variables in which 1 denotes for strongly disagree and 2 refers to disagree, 3; neutral, 4; agree and 5; strongly agree and for the aspect of level of satisfaction 1 to 5 is for extremely unconscious to extremely conscious. For every individual item, mean and standard deviation were calculated where relevant so that it would help to know the level of preference, and satisfaction towards ISP.

Respondents were asked if their ISP are worthy of reliability, empathy, assurance, responsiveness and tangibility enough in case of service quality. For this purpose set of pre-tested statements are to be rated on 5 point scale with 1 being the respondent is strongly disagree and 5 being strongly agree on the statement. From the collected data we can see that every dimensions of quality i.e. reliability, empathy, assurance, responsiveness and tangibility analysis is carried out in this part.

4.2.1 Analysis of Reliability

Table 4.11

Analysis of Reliability

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Disagree	Mean	S.D
My ISP is trust worthy for service delivery.	36	24	2	36	25		
In %	29.3	19.5	1.6	29.3	20.3	2.92	1.58
My ISP is secure enough to use.	31	10	33	43	6		
In %	25.2	8.1	26.8	35	4.9	2.86	1.28
My ISP is recommendable.	32	12	11	36	32		
In %	26	9.8	8.9	29.3	26	3.20	1.57

Source: Field Survey, 2021

The respondents were asked if their ISP is reliable enough in case of service quality. The given statement is to be rated on 5 point scale with 1 being that the respondent strongly disagree and 5 being strongly agree on the statement. From the analysis of results obtained we can see that the respondents' average reliability score is more than 3, which indicate that overall, sample respondent are more or less satisfied with the reliability factor of service quality of ISP.

4.2.2 Analysis of Empathy

Table 4.12

Analysis of Empathy

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Disagree	Mean	S.D
My ISP gives individual attention to me.	13	29	9	56	26	3.27	1.25
In %	10.6	23.6	7.3	45.5	13		
My ISP is convenient to use during operating hours.	21	15	21	51	15	3.20	1.30
In %	17.1	12.2	17.1	41.5	12.2		
My ISP employees understand specific needs of the consumers.	25	18	16	55	9	3.02	1.30
In %	20.3	14.6	13	44.7	7.3		

Source: Field Survey, 2021

The respondents were asked if their ISP is empathic enough in case of service quality. The given statement is to be rated on 5 point scale with 1 being that the respondent strongly disagree and 5 being strongly agree on the statement. From the analysis of collected data, we can see that the respondents' average is more than 3, which indicated that the respondents are satisfied with the empathy factor of service quality of ISP.

4.2.3 Analysis of Assurance

Table 4.13

Analysis of Assurance

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Disagree	Mean	S.D
My ISP is safe enough for the payment through internet.	18	22	15	59	9	3.15	1.49
In %	14.6	17.9	12.2	48	7.3		
My ISP is best service provider.	24	12	19	31	37	3.37	1.49
In %	19.5	9.8	15.4	15.2	30.1		
My ISP has loyal consumers.	25	17	8	52	21	3.22	1.42
In %	20.3	13.8	6.5	42.3	17.1		

Source: Field Survey, 2021

The respondents were asked if their ISP is assurance enough in case of service quality. The given statement is to be rated on 5 point scale with 1 being that the respondent strongly disagree and 5 being strongly agree on the statement. From the data analysis, it can be said that the respondents' average score on this dimension is more than 3, which indicate that the respondent were somehow satisfied with the assurance factor of service quality of ISP.

4.2.4 Analysis of Responsiveness

Table 4.14

Analysis of Responsiveness

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Disagree	Mean	S.D
My ISP employees give prompt service.	15	29	17	42	20	3.19	1.30
In %	12.2	23.6	13.8	34.1	16.3		
My ISP employees are always willing to help consumers.	24	14	13	39	33	3.36	1.47
In %	19.5	10.6	11.4	31.7	26.8		
My ISP employees are never too busy to respond consumers 'request.	28	17	19	44	15	3.01	1.38
In %	22.8	13.8	15.4	38.8	12.2		

Source: Field Survey, 2021

The respondents were asked if their ISP is qualified for responsiveness in case of service quality. The given statement is to be rated on 5 point scale with 1 being that the respondent strongly disagree and 5 being strongly agree on the statement. From further analysis of collected data, it can be inferred that the respondents' average score is more than 3, which indicates that the respondent were satisfied with the responsiveness factor of service quality of ISP.

4.2.5 Analysis of Tangibility

Table 4.15

Analysis of Tangibility

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Disagree	Mean	S.D
My ISP has modern looking equipment.	25	23	19	45	11	2.95	1.32
In %	20.3	18.7	15.4	36.6	8.9		
My ISP has physical facilities which are visually appealing.	29	15	25	46	8	2.91	1.31
In %	23.6	12.2	20.3	37.4			
My ISP employees are neat in appearance.	61	34	18	5	5	1.85	1.08
In %	49.6	27.6	14.6	4.1	4.1		

Source: Field Survey, 2021

The respondents were asked if their ISP are creditable for tangibility in case of service quality. The given statement is to be rated on 5 point scale with 1 being that the respondent strongly disagree and 5 being strongly agree on the statement. From the analysis of collected data, it can be seen that the respondents' average score is more than 2.5, which indicates that the respondents are less-satisfied with the tangibility factor of service quality of ISP.

4.2.6 Summery of the Service Quality Dimensions

Table 4.16

Summary of the Service Quality Dimensions

Quality Dimensions	Mean	Standard Deviation
Reliability	2.99	1.33
Empathy	3.16	1.16
Assurance	3.25	1.29
Responsibility	3.18	1.26
Tangibility	2.57	0.89

Source: Field Survey, 2021

Assurance has the highest mean score of 3.25 followed by responsiveness with a score of 4.18. The least important perception according to the finding is tangibility with a score of 2.57. These findings indicate that the composite mean scores are all less than 4 for each service quality dimension and yet the maximum possible score is 5. The mean composite scores are above average but less than the maximum score. The findings of the study indicate that currently the ISP are perceived by the customers to be offering moderate quality in service but it should not be forgot that there are rooms for improvement regarding these aspects. This does not mean that it is not important as a service quality dimension. Tangibility is ranked as the least important service quality dimension with a mean score above the average score of 2.57. It is clearly understood that tangibility of the ISP is of less concerned among users.

4.3 Binary logistic regression analysis

Dependent variable in this study was categorical (satisfied or not satisfied) and independent variables (quality dimensions) were in qualitative form. Due to these conditions, a binary logistic regression was used in which customer satisfaction was taken as dependent variable and the quality dimension statements as the independent variables.

Some major out-put tables of logistic regression analysis:

Table 4.17a

Omnibus Tests of Model Coefficients

		Chi-square	Df	Sig.
Step 1	Step	159.210	5	.000
	Block	159.210	5	.000
	Model	159.210	5	.000

Table 4.17b

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	.000[a]	.726	1.000

a. Estimation terminated at iteration number 20 because maximum iterations has been reached. Final solution cannot be found.

Table 4.17c

Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	.000	7	1.000

Table 17d

Classification Table[a]

	Observed		Predicted		
			New customer Satisfaction		Percentage Correct
			Satisfied	Unsatisfied	
Step 1	New customer satisfaction	Satisfied	80	0	100.0
		Unsatisfied	0	43	100.0
	Overall Percentage				100.0

Note: a. The cut value is 500

Table 17e

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I. for EXP(B)	
								Lower	Upper
Step 1[a]	Reliability	-7.232	4565.889	.000	1	.999	.001	.000	.
	Responsiveness	-15.202	10378.253	.000	1	.999	.000	.000	.
	Empathy	-14.045	5612.215	.000	1	.998	.000	.000	.
	Assurance	.651	7784.557	.000	1	1.000	1.918	.000	.
	Tangibles	1.751	6333.885	.000	1	1.000	5.760	.000	.
	Constant	96.046	12803.020	.000	1	.994	5.157E+041		

Note: a. Variable(s) entered on step 1: Reliability, Responsiveness, Empathy, Assurance, Tangibles.

A binary logistic regression was run between customer satisfaction as dependent variable and five quality dimension reliability, responsiveness, empathy, assurance and tangibles as independent variables. Customer satisfaction consists of two levels -1; satisfied and 0; not satisfied. Where for each of five quality dimensions summated scores were used while included in the logistic regression analysis. We can see from SPSS output Table 17e that the regression coefficient for all the independent variables are insignificant. However, the logistic regression is fitted with the dependent and independent variables according to the study objectives.

Fitted logistic equation is:

logit (Customer Satisfaction) = 96.046 -7.232 (Reliability) – 15.202 (Responsiveness) -14.045 (Empathy) + 0.651 (Assurance) + 1.751 (Tangibles)

Interpretation of logistic regression output:

The estimates in above regression model tells us about the relationship between the independent variables and the dependent variable, where the dependent variable (customer satisfaction) is on the logit scale. Table () shows that coefficients associated with all the independent variables used in the logistic regression are insignificant. Due to this interpretation of the regression output is less valuable.

4.3.1 Hypothesis testing

Reliability: For every one-unit increase in 'Reliability' score we expect a 7.232 decrease in the log-odds of customer being satisfied, holding all other independent variables constant.

Responsiveness: For every additional point in 'Responsiveness' score, we expect a 15.202 decrease in the log-odds of customer being satisfied, holding all other variables constant.

Empathy: For every additional point in 'Empathy' score, we expect a 14.045 decrease in the log-odds of customer being satisfied, holding all other variables constant.

Assurance: For every one-unit increase in 'Assurance' score we expect a 0.651 increase in the log-odds of customer being satisfied, holding all other independent variables constant.

Tangibles: For every one-unit increase in 'Tangibles' score we expect a 1.751 increase in the log-odds of customer being satisfied, holding all other independent variables constant.

From above analysis we know that there exists a negative relationship between three quality dimensions, namely, reliability, responsiveness and empathy and customer satisfaction. This finding contradicts the established relationship between quality dimension and customer satisfaction. In other words, higher the reported scores on quality dimensions, higher the chances of customers reporting of being satisfied from the consumption of service. Inconsistent result might have emerged from flaws in designing questions aimed to measure customer satisfaction. In current study, structured response for measuring customer's satisfaction level was 'yes' or 'no'. Instead, if multiple statements could have included as a tool to evaluate customer's satisfaction, the result might be reliable and compatible with similar studies on consumer behavior.

4.4 Major Finding

The current study on customer satisfaction on ISP in Pokhara has unfolded some of the problems causing the internet users in Pokhara to have poor experiences and less satisfied with their respective ISP. However, the levels of satisfaction among internet users were varied;

- Of the 123 respondents interviewed, 65% reported they were satisfied with the services of ISPs in Pokhara. Here the dissatisfaction of 35% respondents is a critical issue as it may provide an opportunity for ISP companies to review customers' reflection on the internet services they are consuming and take necessary steps to upgrade.
- One of the crucial aspects of the internet service, speed was ranked as most preferred factor affecting the service of ISP by 34 % of the respondents. Taking into account the future requirement of internet with higher bandwidth and greater speed, ISPs should funnel their resources to meet customer's need and expectation.
- More than 30 % of the respondents reported smoothness in connection is a preferred aspect of the ISP. Internet users in Pokhara are often troubled by the frequent disconnection of the internet service.
- Likewise, maintenance after occurrence of disturbance in the internet connection is also placed at higher level by more than one-quarter of the respondents.
- Offers & schemes and popularity were among the least preferred aspects by internet users which clearly support that short-term offers and only popularity of the ISP are not enough to capture attention of the internet users.

In many of the research works service quality dimensions are being associated with the customer satisfaction on internet service. In this study composite or mean score for each quality dimension were estimated from the respondent's responses on each constituent statement. Mean scores of only the three dimensions- empathy, assurance, and responsiveness were slightly above three, implying that customers are not much satisfied with the quality of internet service they are using currently. In other words, customer's faith towards the ISP, perceived level of assurance and responsiveness

towards the ISP are somehow satisfactory but way much below to win the heart of customers in the ever competitive internet market. Likewise, the mean scores for dimensions-reliability and tangibility are below the neutral point at 2.99 and 2.57 respectively. This indicates the degraded position of the internet services in Pokhara in terms of reliability and tangibility. Although the presence of a handful of ISP in Pokhara, users have to confront numerous problems and issues to get their web related tasks done. Customers often question the dependability and reality of the ISP. These sorts of experiences often force customers to switch to another ISP in the area.

CHAPTER-V

SUMMARY AND CONCLUSION

In the preceding chapter, data generated from survey were presented, analyzed and significant findings were discussed at the end as per the research objectives. This chapter provides a brief overview of findings and conclusion of the study, followed by the recommendations for future studies aimed at exploring issues around customer satisfaction on ISP.

5.1 Summary

The study was conducted with the objective of understanding the consumers' satisfaction level of Internet Service Provider (ISP) inside Pokhara. The research showed that most of the respondents were satisfied with the ISP during the time of data collection. It also showed the impact of service quality in case of internet service in Pokhara.

The use of social media among internet users is increasing day by day and hence numbers of users are adding themselves in social media so as to form an ever-expanding network of people. The major influencing factors for the selection of ISP by consumers are service quality dimensions. The dimensions like reliability, empathy, assurance, responsiveness and tangibility play vital role for the subscription of the internet inside Pokhara.

Out of total 123 respondents, 80 respondents were satisfied with their current ISP by considering the service quality dimensions. It also shows that 43 respondents were not satisfied with their ISP. This result hints that internet users' service related expectations are not fully met by the ISP in Pokhara. Due to which a bulk of customers were dissatisfied with their internet service providers. It also shows that ISP's have to make much effort to satisfy their current subscribers.

In case of purchasing service of ISP inside Pokhara, 57.7% of the respondents have

subscribed to Worldlink, 11.4% each have subscribed to Vianet and Pokhara Internet. The coverage of the Worldlink network inside Pokhara was much wider and was able to attract large number of new users to its customer base.

Respondents were asked to rank to the factors namely- speed, smoothness in connection, maintenance, offers and scheme and popularity that are supposed to affect customers' decision while choosing an ISP among available alternatives in the area. The respondents had ranked speed as the most preferred factor followed by smoothness in connection, then maintenance and popularity. And the respondents have ranked offers and scheme as the least preferred factor while choosing an ISP.

Therefore, the best part was to keep the service quality up to the standard by the ISP companies would be handy to get the attention of the consumers for the longer period of time. The satisfaction level is also significantly related with the dimension of service quality of ISP. Consumers always want better service from their ISP.

The access to the internet was quite handy for any person who wants to get knowledge about the whole world. The reach of ISP to the whole nation would be better option. At current scenario, Pokhara is very attached with the internet users and internet companies. The availability of the lots of options in the market would lead to get the best product in the market. The reach to the lots of consumers made ISP more accountable and responsible in case of providing service quality which would be handy for the longer period of time. The globalization and the presence of Nepali people around the world made the good use of internet for the communication in long distance. The chatting and searching for information actually lead to the use of internet. So, most of the respondents like to use internet for the every possible use.

5.2 Conclusion

Internet is being used for different purposes by people of Pokhara according to their needs and wants. The surge in the use of social networking sites in the last few years showed that most of the youth would like to stay online so that they might be more active in social world among their friends and families. It can be concluded that nearly two-third of the internet users were satisfied with the services delivered by ISP.As an impact of social media popularity, internet users inside Pokhara are growing year after

year. Also, the statistics on access to the internet and technology of the people gives us the clear hints that there is increment in the number of internet subscribers among citizens living in large cities like Pokhara.

The most influencing factors like service quality dimensions like reliability, empathy, assurance, responsiveness and tangibility play vital role for the ISP companies. ISP companies have to work further hard to gain the remaining 43 consumer at the current scenario. The better improvement in service quality dimension would lead to the better consumer satisfaction.

Respondents of age group of 20 - 30 years, consisting of 65.34 percent were satisfied with their ISP. The dimensions of service quality played vital role for the internet service inside Pokhara. The different service quality dimensions like reliability, empathy, assurance, responsiveness and tangibility were big factors for the access to an internet by existing users. The better service quality dimensions lead to the better consumer satisfaction is another aspect of better quality service for ISP.

More than 35 percent respondents were not satisfied with their ISP due to poor connection, speed, and maintenance and service quality dimensions. There was the need for improvement from the side of ISP companies to satisfy those 35 percent so that they would be able to retain those consumers for longer period of time. Any improvement in the service quality dimensions for the benefit of unsatisfied consumers would be handy in future so that they would likely to recommend same ISP to their friends and families. The first ISP to identify the need and pay the attention to satisfy the need can grab those unsatisfied consumers in near future from existing ISP. The change is requirement for the improvement of the quality service to get benefit for longer period of time. So, the room for improvement is required for the benefit of the company as well as consumers.

The research showed that, there is significant relationship between service quality dimension like reliability, empathy, assurance, responsiveness and tangibility. It showed that those ISP have to work more on their service quality dimension rather than pulling lots of consumers for short run.

So, the research shows very positive scenario for the internet companies to improve the current status of the company. The satisfaction level from the consumers can be notices

in future if ISP outside Pokhara would be good if they would be able to meet the need of the consumers. The domestic market of Nepal for internet is growing day by day and lots of opportunities can be capitalized by lots of ISP. The growth can be achieved if the ISPs are able to make their consumers more happy and satisfied. The research shows that in case of consumer satisfaction by the quality service, any firm would be able to keep its head high in competitive market and gives best internet experience.

5.3 Recommendation

Being any service provider company, it is not easy to meet every expectation of the consumer. The challenge is always there to be in the market with lots of competition where there are lots of competitors. The service quality dimensions are the measurement for the performance of the service provider firm in long run. In case of ISP, the consumers always look for new type of service and feature in internet connection.

The issue of maintenance is always questioned by costumers in case of internet service provider and they often complain about the unreliable maintenance and connectivity. All the ISPs inside Pokhara have to satisfy more of the consumers by offering the service with promised quality. On the other side, the best option for ISP firms would be to provide speedy internet with moderate price.

Some of the ISPs in Pokhara were found to give much attention to the customer care by means of more convenient and accessible tools to hear and respond the consumer's problems and wants. One such example is that of Worldlink Communication. It has its own application where it responds to the consumer through the application which consists of option like booking ticket for any type of problem for subscribers which actually made it more customer centric. Most of the ISP firms have to adopt that type of ideas which can facilitate communication between consumers and service providers regardless of the size and nature of problem with the internet service. When most of the consumers are satisfied then the ISP can be considered as good service provider. So, the higher retain policy from ISP can be handy for longer period of time.

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APPENDIX

QUESTIONNAIRE

Dear Respondents,

I am a MBS student from Janapriya Multiple Collage, Pokhara. This questionnaire is designed to collect the view of yours, which help me to complete thesis project. This information given, will be confidential and will not be misinterpreted. The participation of yours is highly appreciated. This survey is conduct to gather information on "Consumer satisfaction among major ISP in Pokhara". Thank you for your cooperation.

Please tick one (√) for each criteria group.

Part 1: This section examines your general understanding of Internet Service Provider (ISP)

1. What is your gender?
   - ☐ Male
   - ☐ Female
2. What is your age group?
   - ☐<20
   - ☐ 20-30
   - ☐ 31-40
   - ☐>40
3. What is Your Education Level?
   - ☐ SLC
   - ☐ Plus 2
   - ☐ Bachelor
   - ☐ Master
4. What is your Income Level?
   - ☐ Less then 15000
   - ☐ 15000-50000
   - ☐ 50000 above
5. What is your occupation?
   - ☐unemployed
   - ☐ Employees
   - ☐ Student
   - ☐ Business Owners
   - ☐ Other (Please Specify).....

1. Which is your current Internet Service Provider? (Please tick)

☐Nepal Telecom

☐World link Communication

☐ Pokhara Internet

☐ Vianet

☐ Classic tech

☐ Other

2. How frequently do you use internet in aday?

☐Less than 1hour

☐1 hour- 3hours

☐3 hours- 5hours

☐5 hours- 10hours

☐More than 10hours

3. For what purpose do you use internet? (You can choose more than one answer)

☐Normal chatting

☐Email

☐ Multimedia access

☐ Social networking

☐ Web surfing for content and information

4. Rank the factors that you consider while choosing an internet service provider(ISP). (Provide 1 for least preferred and 5 for most preferred factor)

☐ Speed

☐ Smoothness in connection

☐ Maintenance

☐ Offers and Scheme

☐ Popularity

3 Are you satisfied with your internet service provider(ISP)?

☐ Yes

☐No

Part 2: Give your preference and tick (√) as if you agree or degree with the given statement.

Dimension of Service Quality of ISP (Take your ISP for the measurement of dimension of service quality)

1. Reliability

S.No.	Description	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	My ISP is trust worthy for service delivery.					
2.	My ISP is secure enough to use.					
3.	My ISP is recommendable					

2. Empathy

S. No.	Description	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	My ISP gives individual attention to me.					
2.	My ISP is convenient to use during operating hours.					
3.	My ISP employees understand specific needs of the consumers.					

2. Assurance

S.No.	Description	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	My ISP is safe enough for the payment through internet.					
2.	My ISP is best service provider.					
3.	My ISP has loyal consumers.					

3. Responsiveness

S.No.	Description	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	My ISP employees give prompt service.					
2.	My ISP employees are always willing to help consumers.					
3.	My ISP employees are never too busy to respond consumers 'request.					

4. Tangibility

S.No.	Description	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	My ISP has modern looking equipment.					
2.	My ISP has physical facilities which are visually appealing.					
3.	My ISP employees are neat in appearance.					

Thank You for your valuable time…