

The Relationship of Customer Satisfaction To Globe's Financial Performance During The Pandemic in Quezon City, Philippines

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ABSTRACT

For customer-centered companies, customer satisfaction is both a goal and an essential factor in company success. Companies that achieve high customer satisfaction ratings make sure that their target market knows it. These companies realize that highly satisfied customers produce several benefits for the company. They are less price sensitive and they remain customers for a longer period. They buy additional products over time as the company introduces related products or improvements. In the Philippines, many network providers are catering these demands. Along with these, they try to give the utmost service that they can for their subscribers. Subscriptions to these providers are their lifeblood. Being in the service industry, customer satisfaction plays a huge role in keeping their clients

Keywords: *customer-centered, network, provider, subscriber*

This study aims to establish the relationship of customer satisfaction to financial performance of Globe in Quezon City for the year 2020 to 2021. Being in the service industry, customer relations is of utmost importance. This should imply that favorable responses are strong indicators of product patronage. Thereby, satisfactory effect is expected on a company's profitability. In establishing this relationship, the researcher formulated a questionnaire where the following are expected to be answered.

1. What is the type of subscription and how long are the respondents subscribed to Globe?
2. What is the overall satisfaction rate of the respondents for their current Globe subscription? As to communication (Voice/Text) services? As to Data Services? As to Customer Service?
3. What are the service revenue trends for Globe from the years 2020 to 2021?

SIGNIFICANCE OF THE STUDY

This study will help the cellular network providers to determine the effects of satisfying customer needs to the company's service revenue. Data to be gathered would indicate whether the customer's satisfaction in terms of call/text, data and customer services were achieved during 2020-2021. Identifying which part should be improved and what are to be retained towards a favorable result. Service revenue trends for the inclusive year will show how the profitability relates to the customer satisfaction. Whether prepaid or postpaid, voice/ SMS, or data gives higher service revenue. Projections can be made based on this study of the past performances of the three networks.

RESEARCH OBJECTIVES

STATEMENT OF THE PROBLEM

The researcher aim to achieve the following objectives.

1. To measure customers' satisfaction to cellular network services of Globe Telecommunications, Inc.
2. To identify the trend of Globe service revenues for the year 2020-2021.
3. To establish the relationship between customer satisfaction and service revenue trend of the identified leading network provider.

customer satisfaction based the services that Globe caters. A trend analysis was used for the service revenue levels. Data were gathered, tabulated and interpreted, accordingly.

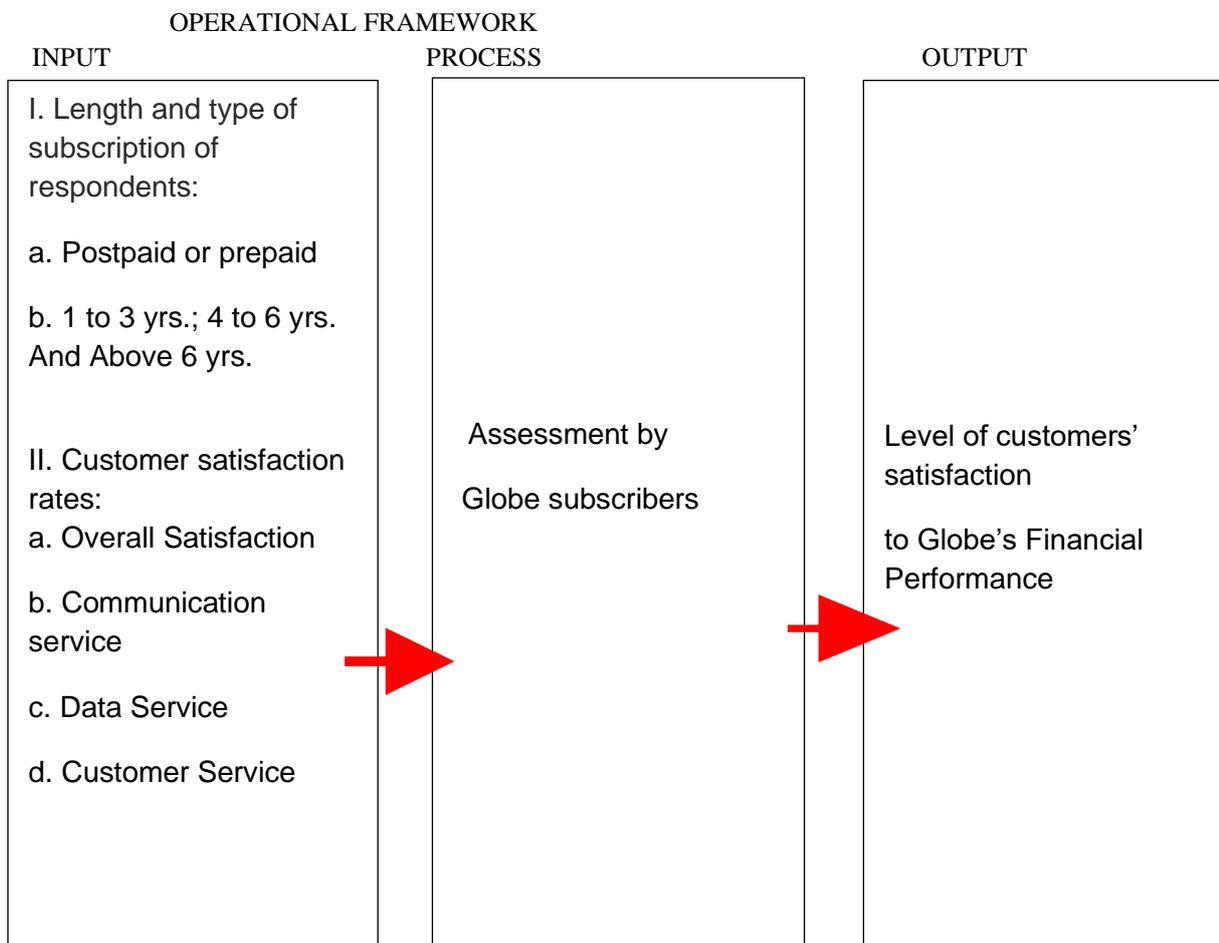


Figure 1. This describes the relation to be established between Customer Satisfaction as contributing factor to Service Revenue levels. Each variable will be measured separately and an association will be established, accordingly.

RESEARCH DESIGN

The researcher used the Qualitative Descriptive Design for this case study. The independent and dependent variables identified are Customer Satisfaction and Service Revenue Levels, respectively. Questionnaires were used to assess

This study includes network subscribers in Metro Manila, aged from 21 to 40 years old. Convenience Sampling is done by the researcher. Published Financial Statements were downloaded from the respective websites of the defined network provider, Globe Telecommunications, Inc. Customer

satisfaction will be measured by rates from a questionnaire. The target respondents shall rate the network provider on its overall service. The following criterion are scored on Communication (call/text), Data services, and Customer service.

FINDINGS

The researcher has the following findings based on the above data gathered.

1. What is the type of subscription and how long are the respondents subscribed to Globe Telecommunications, Inc. ?

Majority of the respondents have prepaid subscriptions, regardless of the network provider.

Most of them have been subscribed respectively, for above 6 years.

2. What is the overall satisfaction rate of the respondents for their current network subscription? As to communication (Voice/Text) services? As to Data Services? As to Customer Service?

Respondents are fairly satisfied for Globe services.

Data services for all network providers have low scores. Globe subscribers have been rated 40% for Fair and Meet Expectations.

Globe is rated fairly by most of their subscribers in terms of customer services.

3. What are the service revenue trends for Globe from the years 2020 to 2021?

From the years 2020 to 2021, Globe Telecommunications, Inc. had an upward slope for their service revenues in total. This was due to large increase in revenue derived from data services. For voice and SMS services, both had a slight decrease by the year 2020.

CONCLUSION AND RECOMMENDATION

It is therefore concluded that a direct relationship exists between customer satisfaction and financial performance of network providers. Majority of the respondents have prepaid subscriptions. Prepaid subscriptions provide the larger amount on their service revenues.

Based on services rendered by a network provider (i.e. Communication, Data and Customer Services), Globe obtained high scores with Data Service and Customer Service.

A large number the respondents transferred to Globe due to communication and customer services based on the data where respondents were asked why they

transferred to other networks. It should be taken into consideration that majority of the Globe subscribers continuously subscribed for more than 6 years.

With the increasing need of the society to be online most of the time, customer satisfaction towards Globe's data services imply a direct relationship with their constantly increasing service revenues for the years 2020 to 2021. Thus, it is recommended that the network provider should pay more attention on Customer Satisfaction. Once this is achieved, strike then for retention strategies. Benchmarking will not be harmful.

As this study proves that Globe Telecommunications, Inc. leads on data and customer service, they may consider enhancing their technology for broadcasting faster and more stable data services. Training and standardization for handling customer concerns is applicable.

Pricing may also be revisited. It should be more reasonable on the value of the services that are being rendered, especially for postpaid plans. Units tied with these plans may also be updated to at least have the same level with Smart. This may increase the competition and may attract more subscribers.

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