CORPORATE REPUTATION AND SERVICE PROVIDER SELECTION
IN THE MOBILE TELECOMMUNICATIONS INDUSTRY IN GHANA

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THIS THESIS IS SUBMITTED TO THE UNIVERSITY OF GHANA,
LEGON IN PARTIAL FULFILMENT OF THE REQUIREMENT FOR
THE AWARD OF M.PHIL MARKETING DEGREE

JUNE, 2013
DECLARATION

I do hereby declare that this thesis is the result of my own research and has not been presented by anyone for any academic award in this or any other university. All references used in the work have been fully acknowledged.

I bear responsibility for any shortcomings.

.......................................................... ..........................................................
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(STUDENT)
CERTIFICATION

I hereby certify that this thesis was supervised in accordance with procedures laid down by the University.

.................................................. .................................................................

DR. ADELAIDE KASTNER DATE
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(CO-SUPERVISOR)
DEDICATION

To My Family
ACKNOWLEDGEMENTS

First of all I will like to thank the Almighty Allah for his divine mercies upon my life throughout this academic program. Secondly, I will like to thank my family for the role they played in making it possible for me to pursue this program I say thanks and may Allah bless you.

I am also indebted to Hajara Amidu Ajo and Zuwera Iddrisu for their support during this programme.

I will also like to thank my supervisors and mentors Dr Adelaide Kastner and Dr Bedman Nartheh for their guidance, patience and support during the period of the research.

I will also like to thank Robert Amponsah and all participants and respondents for taking time to participate in this study and for providing valuable information about the area of discussion.

Lastly, I will like to thank the University Of Ghana Business School for this great opportunity.
ABSTRACT

TOPIC: CORPORATE REPUTATION AND SERVICE PROVIDER SELECTION IN THE TELECOMMUNICATIONS INDUSTRY IN GHANA.

(10155593)

The academic research on corporate reputation is relatively quiet new as a field of study. There is little research that has been conducted to examine whether corporate reputation plays a role in customers’ service provider selection behavior especially in the mobile telecommunications industry and to the extent that it can be used as a competitive advantage for organizations.

This work argues that though there are metrics that have been used to measure the reputation of corporations but all of them are multi-stakeholder with none focusing on a single stakeholder like the customer.

An empirical data was collected from 400 mobile phone users or customers of the mobile telecommunications companies in Ghana except for Expresso which did not have a representation in the survey. The results of the survey, first and foremost indicates that consumers of mobile telecommunications strongly perceive quality services from telecommunication companies but were not that satisfied with innovation for the operators. It was also discovered that corporate reputation elements such as emotional appeal and credibility of service providers strongly informed customers’ choice.

Finally, the results indicate that corporate reputation can affect the future decisions of customers’ behavior when it comes to service provider selection.

This study contributes to our understanding of the link between corporate reputation and customers’ service provider selection as well as future selection behavior. By doing so it also contributes to the practical management of corporate reputation by confirming the importance of the affective aspect of corporate reputation and of service provider selection behavior and its creation.
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CHAPTER ONE

INTRODUCTION

1.0 INTRODUCTION

This chapter gives a background to the thesis topic where concepts such as corporate reputation, services, service provider selection, stakeholder relationships and competitive advantage are introduced and explained. Afterwards, the problem discussion is presented which in turn leads to the study’s purpose and research questions.

1.1 BACKGROUND OF THE STUDY

The key problem that organizations are facing today is how best they can manage their reputation. This has a long term effect on the business’s strategy and can therefore influence the objectives set either in the long term or otherwise. It is of much interest to realize that no single organization can survive without a good reputation.

Corporate reputation has evolved in recent times as an academic discipline and has attracted the attention of researchers, academics, and practitioners. It has been recognized as a competitive tool for organizations and academic institutions. Competition in the corporate environment is tough and achieving a unique position and competitive advantage become more and more difficult and expensive. The high level of investment necessary to maintain production and/or service delivery capabilities and rising cost of Research & Development for product differentiation, makes strong marketing capabilities and unique brands pre-requisites for modern companies to cover these heavy investments.

Corporate reputation is essential for every organization in the world especially in this day and age where customers are sophisticated and know what they want and what they want to see their service providers do. According to Serrat, (2011) “Reputation is not about likability: it is the aggregate estimation in which a person or entity is held by individuals
and the public against a criterion, based on past actions and perceptual representation of future prospects, when compared to other persons or entities”. Reputation is everything, and companies must be prepared to either maintain their reputation and or do damage repairs which is very expensive.

At the heart of business is customer behavior and this needs to be understood by every marketer if only they want to create value. There are differences in customer behavior to services including “whether the service is targeted at customers in person or at their possessions, whether service actions and output are tangible or intangible in nature, whether customers need to be involved in service production and how much contact they need to have with services facilities, employees and other customers.” Lovelock & Wirtz, (2007, p.33). Services are a form of attitude which is related to satisfaction and also leads to consumer loyalty (Johnson & Sirikit, 2002) and future purchase.

In a competitive market, service providers are expected to compete on both price and quality of services. So it is necessary for the service providers to meet the consumers’ requirements and expectations in price and service quality (Melody, 2001, Pp.387-405). According to Carlzon,(1987, p3) services are “economic activities offered by one party to another , most commonly employing time-based performance to bring about desired results in recipients themselves or in objects or other assets for which purchasers have responsibility.”

Reputation is one of the critical elements in organizational success today and that is why much importance is being attached to it by most organizations, though findings by PricewaterhouseCoopers (2009) indicate that only 22% of companies have a formal strategy in place to manage brand & reputation risk, the complicated nature of this risk and the enormity of the challenge become apparent. As it is, individuals, organizations and
national governments are all now concerned about their reputation. Reputation is defined as “the set of meanings by which a company is known and through which people describe, remember and relate to it” Dowling (1986, pp. 109-115). Dowling also argues that “reputation is the net result of the interaction of a person’s beliefs, ideas, feelings and impressions about the company. A company will not have reputation – people hold reputation of a company” op cit.

Corporate reputation in the business environment has become a strong differentiation tool that organizations use to differentiate themselves from competition. Reputation can be analyzed from the point of view of key stakeholders such as customers, shareholders, employees and the community in which the organization operates. Reputation thus, centers on what key stakeholders think about the organization and how their perception can translate into sustained growth and profitability. In the age of turbulence, hyper-competition and survival there is immense value to critically examine the reputation of a company.

Lilli, (1983) aptly argues that reputation reduces the search for information by simplifying information processing. Chajet (1989) also argues that a good reputation helps a company attract the people necessary for its success; analysts, investors, customers, partners and employees. According to Mackiewicz, (1993) cited in van Riel & Fombrun, (2007) research has found 9 out of 10 consumers reporting that when choosing between products that are similar in quality and price, the reputation of the company determines which products or services they buy.

The building and study of corporate reputation is imperative as it goes beyond just competitive advantage to its use as a vital corporate sustainability. It is in the light of this
that the study of corporate reputation and service provider selection is very necessary. Loss of reputation is seen as the biggest threat to business.

In a modern service-oriented business environment, intangibles, such as corporate reputation, can constitute the bulk of an organization’s assets. Reputation is known to be built over time, as people continue to have both negative or positive, direct or indirect messages and experiences of the organization. Reputation is therefore built on both the reality of what an organization is and the messages that are conveyed by and about the organization both of which shape the perceptions of its various stakeholders. Kellie (2009, p3).

1.2 PROBLEM STATEMENT/RESEARCH GAP

As competition has been escalating among the telecom operators, it is ardently necessary for them to learn about the consumers’ perception about the price, promotion, service quality and other important factors that may have been playing a vital role in selecting the telecommunication service provider, Rahman et al (2010). An important factor in the selection of a service provider is corporate reputation which many companies have neglected because it is argued sometimes that it does not create value for the company and for the customer. According to Barney (1991), Competitive advantage is a value-creating strategy, simultaneously which is not implemented by any existing or potential competitors. Moreover, Agus et al. (2007), indicate that a competitive advantage also is sustained when other companies are unable to duplicate the benefits of this strategy.

Furthermore, studies conducted by Hj Awang, (2009) in the Malaysian telecommunications examined the three telecommunication companies using all the stakeholders to find the link between corporate reputation and competitive advantage. Olatokun & Nwonne, (2012) studied the Nigerian telecommunications sector on the
corporate reputation as a determinant. Also, Ramune & Laimona (2007) in their study of the Lithuanian and
Nordic mobile telecommunications identified reputation as a criterion for selecting service
providers in the Nordic countries but not in Lithuanian counties.

This study is aimed at covering the above mentioned gaps. This research was conducted
to ascertain whether the reputation of a company inform the customer’s choice of a service
provider especially in the mobile telecoms industry in Ghana such that it can be used as a
competitive tool.

1.3 THE OBJECTIVES OF THE STUDY

The general aim of this study is to determine the influence of corporate reputation of the
competing telecommunication service providers in term of customers’ intention to
subscribe for their services and to come out with information that will further enhance the
use of corporate reputation as a competitive tool.

SPECIFIC: The research seeks specifically to:

- Establish the relationship between services and reputation in the
  telecommunications industry.
- Determine whether the perception customers have about a company can influence
  their choice of a service provider.
- Identify the elements of corporate reputation that consumers consider in the
  selection of a service provider
- Identify the corporate reputation issues that could impact on the future selection of
  service providers.
1.4 RESEARCH QUESTIONS

- Is there any relationship between services and reputation in the telecommunications industry?
- How important is perception to customers in service provider selection?
- What are the elements of corporate reputation that customers consider when choosing a service provider?
- What are the issues that could impact purchase or selection decision in future?

1.5 SIGNIFICANCE OF THE STUDY

There is a high level of customer sophistication in this modern era and the threat of competition calling for huge budgets for the purposes of managing corporate reputation. I believe this is in relation to the fact that so long as an organization wants to continue to be in business it must have a good relationship with its stakeholders so that they (stakeholders) will have a very positive and favorable image about the company. This study seeks to unearth the relationship between corporate reputation and service provider selection; it will tell us how important corporate reputation is to customers in their service provider selection process. The study will also identify the elements that customers consider when choosing a service provider. It will further discuss the issues that would impact the customer’s future selection/purchase decision. The study will further look at the importance of perception in customers choosing a service provider. The study will finally come out with suggestions to help improve the use of corporate reputation as a competitive tool.
1.6 STRUCTURE OF THE STUDY

The study consists of six chapters including an introduction and a conclusion.

**Chapter 1** gives an introduction to the study which gives a background to the study including the research objectives and questions. This chapter also outlines the statement of the problem and the research gap. It finally states the significance of the study.

**Chapter 2** reviews the main literature relevant to the study. Initially, the concepts and definitions of reputation have been looked at, and other key relevant concepts such as image and identity, are covered. Subsequently, the classifications of reputational definitions and the characteristics of reputations have been reviewed. In this connection, a review the benefits of reputation and the strategies of reputational management in the literature have been provided. The chapter then moves on to consider influences of corporate reputation. Also, a literature on services, service marketing and the link between reputation and services has been reviewed. Finally, a conceptual framework for the study has been provided.

**Chapter 3** takes a look at the context of the study which is the mobile telecommunications industry in Ghana. The chapter takes a look at an overview of the telecommunications industry in general (Globally), then mobile telecommunications industry in Ghana and finally explains the structure of the mobile telecommunications industry in Ghana.

**Chapter 4** addresses the research methods employed for this study. The research philosophy and data collection methods are discussed. Then the measures adopted to assess the variables suggested in the literature review are explained. It addresses the sampling method and size employed for this study. Finally, the technique used i.e. SPSS which was used to run the descriptive analysis correlation and regression analysis have been outlined alongside the data collection method being questionnaire also discussed.
Chapter 5 gives details of the research findings and the analysis using descriptive, correlation and regression. It also details the discussions of the findings.

Chapter 6: This chapter summarizes the entire results of the research as it is discussed thoroughly. It gives out conclusions and recommendations for managers and marketing. The chapter also provides recommendations for further research and finally summarize the whole of the research work.

1.7 SUMMARY

Competition and customer sophistication have actually impacted on organizations in their attempt to manage corporate reputation. As a means of surviving competition and/or gaining competitive advantage organizations need to manage their reputation well so that employees, customers and investors will have confidence in the activities and survival of the organization.
CHAPTER TWO
LITERATURE REVIEW

2.0 INTRODUCTION
This chapter presents existing literature on the thesis’ topic. Afterwards, a conceptual framework was constructed to serve as a base for collecting and analyzing the empirical data. This study looks at several constituents of corporate reputation and choosing a service provider. Most significantly, it is related to the literature that empirically tests for the importance of corporate reputation existence in organizations and the effects it has on success. The literature also looks at corporate reputation management. The main objective of this review is to comprehend the dynamic role corporate reputation plays in customers’ choice of service providers and to evaluate the benefits/importance of corporate reputation for organizations. It also aims at finding out the challenges customers face after choosing a service provider.

2.1 AN OVERVIEW OF REPUTATIONAL DEFINITIONS
Corporate reputation has been the focus of much of academic research during the past two decades (Logsdon and Wood 2002). Of late, there has been an increased emphasis on the value of the reputation by both academics and practitioners (Fombrun and Van Riel 2004; Bromley 2002; Chun, 2005; Hillenbrand and Money, 2006; Helm, 2007; Chettamronchait, 2010). Furthermore, in recent years, there is a large existing literature highlighting the vital role corporate reputation play and its impact on organizational objectives. The main constrains to corporate reputation management that have been recognized in the existing literature are often lack of detail and equity which is usually attributable to perceived employee role, asymmetric information, managerial incompetence and that of pressure groups leading to choosing service providers being a problem for most customers.
There is a general agreement among practitioners and scholars alike that the way in which the public perceives a company is crucial in determining its success (eg Brown, 1998; Fombrun, 1996).

The literature revealed several definitions of the concept which seem to be problematic in advancing reputation. Fombrun and van Riel (1997, p 5), argue that the field of corporate reputation remains understudied although seldom ubiquitous. Their argument is that reputation is hardly noticed until they are threatened. Reputation scholar Charles Fombrun offers a good and working definition of corporate reputation as “the sum of the images various constituents (stakeholders) have of an organization”. According to Fombrun (1996, p.9) corporate reputation is “the overall estimation in which a company is held by its constituents. A corporate reputation represents the net affective or emotional reaction-good –bad, weak –strong, - of customers, investors, employees and the general public”. Varey (2002, p.193) argues that “reputation does not originate from the corporate communication office or the marketing plan or individual behavior. It is not a fabricatable artifact that can be used to manipulate others feelings in a way that advertising can be mis(used). Reputation springs from experiences through process and values of people who see themselves as stakeholders of a business”. Reputation is a perception of an organization build over time (Balmer 1998), It results from a reflection upon historically accumulated impacts of previously observed identity cues and transactional experiences (Melewar, 2003, pp.195-220). In other words, it is evaluative and is image endowed with judgments (Simões & Dibb,2002) on what the organization has done and has behaved over time (Balmer & Grayser ,2003,pp 15-29). Dowling, (2004) argues that “corporate reputation is the evaluation of respect or esteem estimation in which an organization’s image is held by people.........a company will not have reputation: people hold
reputations of a company”. Although there are many definitions of Corporate Reputation, they all have two basic elements in common: first, Corporate Reputation often is used as a tool to legitimize corporations (Boyd, 2001; Webley, 2003); and second, the concept is closely related to the image of the company (Williams and Moffit, 1997).

There are some definitions of corporate reputation that suggest that corporate image and corporate identity together form corporate reputation. These definitions view reputation as an aggregation of other corporate-based measures such as identity, image, branding, and communications. Example

Wartick (2002) proposes that:

**Reputation = f (Image + Identity)**

Doorley and Garcia (2007) define reputation as:

**Reputation = Sum of Images = (Performance + Behavior) + Communication**

### 2.1.1 Definitions of corporate reputation

<table>
<thead>
<tr>
<th>Author</th>
<th>Definition</th>
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<tr>
<td>Topalian (1984)</td>
<td>“Corporate reputation refers to the expectations, attitudes and feelings that consumers have about the nature and underlying reality of the company as represented by its corporate identity”</td>
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</table>
| Dowling, (1986) | “Corporate reputation is the evaluation (respect, esteem, estimation) in which an organization’s image is held by people ………. A reputation is the set of meanings by which a company is known through which people describe, remember and relate to it. It is the net result of the interactions of a person’s beliefs, ideas, feelings and impressions about the company. A company will not have a
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<td>Alvesson, 1990</td>
<td>“Reputation refers to a holistic and vivid impression held by a particular group towards a corporation, partly as a result of information processing (sense-making) carried out by the group’s members and partly by the aggregated communication of the corporation in question concerning its nature, i.e., the fabricated and projected picture of itself.”</td>
</tr>
<tr>
<td>(Fombrun and Rindova, 1996)</td>
<td>A corporate reputation is a collective representation of a past actions and results that describes the ability to deliver valued outcomes to multiple stakeholders. It gauges a relative standing both internally with employees and externally with its stakeholders, in both its competitive and institutional environments.</td>
</tr>
<tr>
<td>Balmer (1998, p. 971)</td>
<td>“reputation represents a value judgment about the organization’s qualities built up over a period and focusing on what it does and how it behaves” “the estimation of the consistency over time of an attribute of an entity based on its willingness and ability to perform an activity repeatedly in a similar fashion.”</td>
</tr>
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<td>Frost and Cooke (1999) (p. 23)</td>
<td>Reputation is the opinion about the company held by the entire stakeholder group for the company, not just consumers. Reputation is a more encompassing term, reflecting a larger audience who make judgments on more dimensions of the company, such as its values. Reputation is usually managed by public relations departments</td>
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</table>
A corporate reputation is a stakeholder's overall evaluation of a company over time. This evaluation is based on the stakeholder’s direct experiences with the company, any other form of communication and symbolism that provides Information about the firm's actions and/or a comparison with the actions of other leading rivals.

Reputations are over all assessments of organizations by its stakeholders .they are the aggregate perceptions by stakeholders of an organization’s ability to fulfill their expectations , whether those stakeholders are interested in buying the company’s products, working for the company or investing in the company.

``the estimation in which one is held; character in public opinion; the character to attribute to a person, thing or action; repute”,

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<th>Table: 2.0 Corporate Reputation definitions</th>
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Balmer's (1998) review of the evolution of the theory of corporate reputation identified three stages of development. The first phase (in the 1950s) focused on corporate image, giving way in the 1970s and 1980s to an emphasis on corporate identity and corporate communications, and then in the 1990s to a mounting interest in corporate brand management and thence reputation.

A reputation is formed from networks of cognitive associations that develop over time from a group of cumulative exposure to sensory stimuli, Van Riel and Fombrun (2007. p46). For the purposes of this study I define corporate reputation as the general
assessment of perceptions and experiences favorable or unfavorable that stakeholders have about the activities of a firm.

Holzauer (1991) suggest; *We often develop a company reputation on the basis of the reputation we have of its products, i.e. the brand reputation. The brand reputation is formed on the basis of the only information we have about the company namely brand advertising. In other words brand advertising can determine the reputation of the company.*

2.2 CLASSIFICATIONS OF REPUTATION DEFINITIONS

The literature found as many as about 49 definitions of corporate reputation. And based on the work of Barnnet et al (2006), these various definitions can be clustered into three groups which are used here to build a block in determining the definition of the concept of corporate reputation. An asset cluster comes under the Resource Based Value of the firm which looks at corporate reputation as an economic value. The assessment cluster considers corporate reputation from judgment point of view. The awareness cluster considers the collective and multi-stakeholder perception point of view. These clusters are summarized in figure 2.0 below.
Figure 2.1: Adopted from the works of Barnett et al, (2006)
Walker (2010) alternatively divided corporate reputation definitions into 5 groups which is summarized in table 2.1 below:

<table>
<thead>
<tr>
<th>Class of definition</th>
<th>Comments</th>
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<tbody>
<tr>
<td>Perceptual definitions</td>
<td>which looks at corporate reputation as stakeholder’s viewpoints regarding both internal and external aspects about an organization,</td>
</tr>
<tr>
<td>Aggregate definitions</td>
<td>which looks at the collective perspective which is based on the perceptions of all stakeholder groups about an organization,</td>
</tr>
<tr>
<td>Comparative definitions</td>
<td>which compares reputation of an organization to other competitors in the market,</td>
</tr>
<tr>
<td>Positive or negative definitions</td>
<td>which means that reputation can be either positive or negative</td>
</tr>
<tr>
<td>Temporal definitions</td>
<td>which means that reputations are time-specific and can change over time</td>
</tr>
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Table 2. 1: Walker (2010) a classification of reputational definitions

2.3 DIMENSIONS OF REPUTATIONS

The literature has identified varying characteristics and dimensions of corporate reputation. For example, Fombrun (1996) argues that in order to build a favorable reputation, an organization needs to develop four main elements/attributes: these elements are related to some specific stakeholders of the company as outlined by Davies et al (2003, p.60). The elements according to Fombrun, (1996) include credibility, trustworthiness, responsibility, and reliability. Fill, (2002, p. 396), also summarizes this whiles making
reference to NOKIA the Finnish Mobile Phone Company, what Fombrun (1996) suggested as ‘credibility’ is established through its range of products which are perceived to be of high quality and branded. Trustworthiness has been developed through attention to service and support. Reliability and consistency has been achieved by setting and adhering to particular standards of quality and Responsibility is verified through a strong orientation to service and values manifested through the company’s strong product development and innovation policy’

Credibility

Newell and Goldsmith, (2001, p238) in developing the corporate credibility scale to measure credibility defined the concept as ‘the perceived expertise, reliability, trustworthiness, and truthfulness of a company’. Credibility is the extent to which corporate statements, promises and claims are believable to investors and other stakeholders: the belief that the organization will do what it says (Vincent, 2009). Herbig, & Milewicz, (1995) also argue that Credibility is the believability of an entity’s intentions at a particular moment in time. They further argue that a firm can have a horrible reputation but be totally credible (as long as it is consistently bad!). Credibility must be before the message or action to have any significant effects (Sobel, 1985). To achieve credibility for high quality, a company must first develop a reputation for producing and delivering (Bell, 1984) and it usually takes many periods before a reputation can be established. Credibility is therefore dependent on reputation as well as the just prior transaction. Credibility influences reputation only through the final outcome: promised quality must be delivered to build a positive reputation (Fitzgerald, 1988). The quality of items produced in prior periods serves as a signal of quality of the goods that are to be produced in the current period. Reputation building is related to the consistency of the
outcomes. Credibility is important in all image and reputation building because it influences the extent to which the organization attempts to projects its actual and / desired identity and are believed by the target audience. At the same time reputation contributes to credibility by creating the perception of credibility in the minds of stakeholders.

**Trust (trustworthiness)**

Customers want companies they can trust. Trust is a panacea for reputation. When stakeholders trust an organization it leads to a strong reputation. Trust is defined as ‘the belief that the service provider can be relied on to behave in such a way that the long-term interests of the buyer will be served’ (Sharma & Patterson, 1999 cited in Crosby et al. (1990). Trust can also be defined as ‘the subjective probability that one assigns to benevolent action by another agent or group of agents’ (Nootreboom et al., 1997: p.311). Trust simply is the reliance on, or confidence in, the process or person. Hence, the greater is the level of trust, the stronger is the relationship commitment and therefore the reputation. The factor of trust was also looked at by Morgan & Hunt (1994) who argued that trust has positive relation to the extent through which the firms share similar values. Earle (2009) draws a distinction between trust in an organization and confidence in an organization. He argues that trust is based on shared values such as morality, benevolence, integrity, inferred traits and intentions, fairness and caring. Trust is relational. Confidence on the other hand is based on past performance and experience with an organization. Ganesan (1994) studies showed that a trust booster for firms was customers’ satisfaction with past exchanges with the firms. Trust is conceptualized as existing when one party has confidence in the other party’s reliability and integrity. It is then argued that several studies have recognized that even though firms manage to properly satisfy their customers, they may be unable to retain them (Sharma & Patterson, 1999). Hence, satisfaction alone
is inadequate to ensure long-term customer commitment and relationship to a single provider. Due to costs related to termination of the relationship, once trust has been built, the probability of each party ending the relationship decreases (Ranaweera and Prabhu, 2003) and will then enhance the reputation of the company.

Gounaris (2003) argues that trust is a vital element in any type of relationship. The more customer trusts a supplier, the higher is the perceived value of the relationship thereby building a good reputation. Furthermore, trust is an important factor in the perceived quality of services, especially in business to business services. Trust is developed successively as a result of gradual dependence on the relationship resulting from mutually adaptation to the other party’s needs (Vincent, 2009). Davies et al, (2003 p, 60) underscores the importance of trustworthiness for the employees: whiles the former argues that factors that can be used to build trust include track record, honesty, integrity and fairness; consistent reliability; transparency etc. the latter argues that the company should generate trust, instill pride and empower employees to build trust. Research shows that only 49% of employees trust senior management, and only 28% believe CEOs are a credible source of information. (Covey, 2009). Generally the more trustworthy an organization is the better its reputation and that can lead to customers choosing the firm as their service provider.

**Reliability:**

The organization that stands behind its products/services and provides consistent service is perceived and taken to be reliable. In the services industry, reliability is key as customers yearn for companies that they rely upon for their services in times of need. Companies that are reliable keep their customer and the opposite is true. In the SERVEQAUL model by Parasuraman et al, (1991) reliability has been mentioned as a tool to bridge service quality.
gaps. Reliability can be defined as ‘the perceived ability to keep an implicit or explicit promise’, benevolence as ‘the perceived willingness . . . to behave in a way that benefits the interest of both parties’ (Selnes and Gønhaug, 2000: 259,) Reliability is critically important to stakeholders, especially customers. Vincent (2009) argues that a reputation for reliability depends on the organization’s ability to consistently fulfill the needs of its customers. Service encounters which are critically important in a service sector can build the reputation of companies for being reliable. Samuel (2007,p.63) emphasizes that “no matter how much efforts we spend on promoting positioning and profiling ourselves , failing to live up to expectations will severely damage our reputation. Everything counts, every element of every transaction either enhances or damages our reputation. Whatever statements or claims we make we must deliver on. No excuses. No Blame. At All costs we must avoid giving others the opportunity to doubt us, as doubts call reputation into question”. For Davies et al (2003), a reliable company promotes quality and provides excellent customer service.

Responsibility:

It is rewarding for organizations to recognize social responsibilities and support good causes in the society. These things don’t go unrewarded. Responsibility embodies a range of social responsibilities that an organization might consider it has towards its wider or secondary stakeholders, including society and the natural environment in which it operates (Vincent, 2009). According to Fill (2002, p. 396) responsibility “is verified through a strong orientation to service and values manifested through the company’s strong product development and innovation policy”. The community as a whole may be looking for a responsible business which takes into account its potential impacts on people and the environment, and invest in good corporate citizenship. Carol and Buchholdz (2000), cited
in Jobber, (2007) suggest that there are four main layers of corporate responsibility; including economic, legal, ethical, philanthropic responsibilities.

Another framework that makes up the reputation of an organization has been proposed by Susan and John (2003). According to them, factors that constitute reputation are:

**Experience of products/services:** According to Pine and Gilmore (1999) ‘while commodities are fungible, goods tangible, and services intangible, experiences are memorable. Buyers of experience …..value being engaged by what the company reveals over duration of time’. Customers use experience to determine whether the hype created by promotion campaigns live up to their expectations. Products that meet the expectations of customers make the organization reliable to customers and build the reputation of the organization. Abbott (1955) cited in Fombrun and van Riel (2007) remarked that “what people really desire are not products, but satisfying experiences. People want products because they want the experience – bringing services which they hope the product will render”.

**Behaviour of employees (the role of leadership):** This explains the vision and leadership direction management offers employees. This requires senior executives to be resilient and empathetic in order to make an organization trustworthy to employees. Peters and Waterman (1982) among others argue that a positive reputation (and the internal cultural values reflected in it) can contribute to the satisfaction, engagement and loyalty of team members: giving jobs meaning and significance beyond the mere performance tasks. Employee motivation, commitment and retention in turn support continuity, organizational learning and improved products and services quality. This will in turn lead to more satisfied customers, customer retention, opportunities to develop customer relationship and customer loyalty – hence opportunities for enhanced profitability and competitive advantage (Gronroos, 2000)
Corporate citizenship: This explains the fact that the organization has a responsibility to a wide range of stakeholders that extends beyond the economic existence of the organization. The fulfillment of an organization’s social responsibility to the community in which it operates makes the organization responsible to the stakeholder public. Pearce and Robinson, (2011, p. 47) argue that there are two sets of stakeholders of every organization, the insiders and that outsiders and that the extremely outsiders makes the claim that the organization be socially responsible. To a large extent when this demand is met then it can go a long way to enhance the reputation of the firm. This has also been captured by the Fombrun (1996) classifications

Organizational structure and culture: The structure of an organization defined by Mullins (1999) is the ‘pattern of relationships among positions in the organization and among members of the organization. Structure makes possible the application of the process of management and creates a framework of order and command through which the activities of the organization can be planned, organized, directed and controlled’. This plays an important role in the reputation of the organization as it allows for smooth flow of communication and quality of management. Organizational culture is the collection of traditions, values, policies, beliefs and attitudes that constitute a pervasive for everything we do and think in an organization’ (Mullins, 1999). Schien, (1985) also define organizational culture as ‘the way we do things around here’. Planned organizational design helps build trust with employee behavior which together builds a sustainable reputation.

Communications: The literature identified some commentators such as van Riel and Fombrun, (2007) suggesting that the emergence of Corporate Reputation as a bi- product of corporate communication. As an element of Corporate Reputation it seeks to embrace all aspects of communications that a corporation engages in. What type of communication
it should use to address both internal and external audiences as part of an image building process? Krone et al., (2001) suggest that there are four roles that organizations are expected to perform in order to make internal communications and employee relations effective. These include **efficiency, shared meaning, connectivity, and satisfaction.**

Communications, both internal and external speak to the reputation of the company. It is key to the success of the company. Customers are more comfortable with companies that communicate to their needs and therefore can be used to keep track of its reputation.

**Innovation and creativity:** Innovation is characterized by great leaps forward interspersed with continuous small-scale improvements. Creativity on the hand is the ability of employees to use their imagination to generate new ideas (Doole and Lowe, 2008). Understanding the causes, processes and consequences of innovation at work is important in a rapidly changing social, technological and economic environment. Innovation is vital in differentiating firms from competition which makes organizations reliable for customers. Customers believe that innovative companies are able to deliver value which has an impact on the customer.

**Financial performance:** For corporations the primary aim of securing return on investment (ROI) and enhancing brand equity through corporate reputation management is to create and enhance shareholder value. Shareholder value primarily refers to the financial performance of the company, which is central to managing corporate reputation. A strong financial standing in terms of profits and growth makes firms credible to investors. Van Riel and Fombrun(2007, p 271) describe how financial value and stakeholder are related: according to them ‘endorsement build value’, and enable a company to expense funds on corporate activities such as advertising, philanthropy and citizenship that generates media endorsements, attracts investors, and add financial value. The need effect is reinforcing loop through which communication, recognition,
endorsement and supportive behaviors from stakeholders create equity’. A sound financial standing of a firm does not only create shareholder value or attract investors but also help attract quality employees, and deliver on promises which all have an impact the reputation of the organization.

The literature reviewed also revealed that Lloyd and Mortimer (2006) identify *performance, identity, image, brand, management and ethical leadership* as the six core components/dimensions of corporate reputation. However, in the literature Schwaiger, (2004) in his study titled Components and Parameters of Corporate Reputation - An Empirical Study” identifies exactly ten components of corporate reputation; while Harrison (2009) also identifies ten components that are identical to those of Schwaiger.

These components are:

**Quality of employees:** Reputation is correlated over time because human capital continues over time, Burt (2008). The very foundation of high reputation resides in the quality of staff organizations hire, the depth of their motivation and their talents. How these employees are treated and the quality of their workplace behavior seep out into the public domain and thus affect the reputation or otherwise which an organization will be associated with. Employees stay longer and work harder for companies that are liked. Individuals prefer to work in firms having good reputations (Turban and Greening, 1997).Greening and Turban, 2000; Lievens and Highhouse, 2003; Lievens et al., 2001; Martin, 2009a,)

**Quality of the management:** The public likes well-managed organizations that can also boast of high quality managers with clear vision for the future. A study conducted by Hill and Knowlton (2006) revealed that Quality of management (a strong leadership team, keeping promises, a sound corporate strategy) emerged as the most significant factor in
corporate reputation, when financial performance was excluded. The study also indicated that CEO reputation was the next most important factor in their decision to recommend a firm for investment. The analysts strongly believed that a CEO should be terminated if his/her behavior negatively influenced the firm’s reputation. According to Iwu-Egwuonwu, (2010) organizations that harbor management people or executives who cut corners often end up on the liability side of corporate reputation because with time their flanks burst open irretrievably.

**Financial performance:** As stated earlier in this review, when an organization has built itself to become financially strong, has a record of long term profitability and clear growth prospects, its reputation will increase. A strong financial performance of the company can be used as a strategy to manage the reputation of a company based on positive promotional and attitudinal effects. A study in the journal of public relations research (Measuring the Economic Value of Public Relations’, 2001) found a positive causal relationship between reputation and revenue. According to research nine out of ten consumers report that when choosing between products that are similar in price and quality, the reputation of the company determines which product or service they purchase: (Mickiewicz, 1993). A strong financial performance of the company can be used to differentiate the company from competitors (Mackiewicz, 1993), builds attractiveness to the company (van Riel & Fombrun 2007, p. 47) adds value to the actual worth of a company that is market capitalization (the number of share outstanding times the price per share) includes more than just the book value (Doorley & Garcia, 2007 p. 4) and also reduces transaction cost (Davies et al 2002 p.70). Public perception of a business positively affects corporate profitability, market-to-book value, and total sales (Roberts & Dowling, 2002, pp. 1077-93.)
Quality of products and services: Klien & Leffler (1983) stated that firms that produced low-quality goods and sell them at high quality prices acquire a bad reputation and are excluded from the market. Organizations add so much to their reputation by offering very high quality products and services. Klein & Laffler (1981) and Shapiro (1983) consider models in which reputations are a mechanism to support high quality in a repeated moral hazard model. They showed that for any discount factor there exists a minimum price premium (and equivalently for any price premium, a minimum discount factor) required for high quality to be sustainable. High quality goods and services offered by organizations may well be the beginning of the journey to earning sustained reputation. Board & Meyer-ter-Vehn (2010) also argue that at each point in time, consumers' willingness to pay is determined by the market belief that the quality is high, which they described as the reputation of the firm. This reputation changes over time as a function of (a) the equilibrium beliefs of the firm's investments, and (b) market learning via consumers' realized utility. The argument here can be linked to the experience of products and services as argued by Susan and John (2003)

Market leadership: Organizations that have plotted their growth paths well to become market leaders are admired. This admiration builds into a cluster of intangible assets for the organization. Customer value is the sum of benefits received minus the costs incurred by the customer from the product and the service that companies provide. Market leaders choose to excel in delivering extraordinarily levels of one particular value and their customers recognize them for it. This recognition adds to the reputation of the company since in the mind of the customer the company is good at what they provide.

Customer orientation or focus: Porter, (1985) suggested that a good reputation may help a pioneer firm build an innovative image in the industry, while Franklin (1984) proposed that corporate reputation is a global and final outcome of the process of building a
corporate image. The care an organization lavishes on its customers translate into values that add up to build a fortress of reputation for itself. Organizations are therefore better-off building strong commitment to their customers. Some authors have asserted that a good corporate image or reputation helps to increase the firm’s sales and its market share (Shapiro, 1982), and to establish and maintain a loyal relationship with customers and the general publics (Andreassen & Lindestad, 1998; Robertson, 1993; Yoon et al., 1993).

**Attractiveness or emotional appeal of the organization:** When people feel good about an organization for reasons that have to do with the good perception people have for it, such an organization can be said to have an emotional appeal. Thus, organizations should continually rework their strategies so as to continue to enjoy such an asset. An organization can be attractive to the general public due to some of its activities and that alone is a plus to the reputation of the company. A company’s reputation can be supported by the way it is attracted to the public. This can be as a result of its communication, its logo, its employees and the physical evidence.

**Ethical behavior:** Corporate ethics are a set of moral principles or values about what constitute right or wrong behavior. They are shaped by social assumptions and beliefs and more deliberately – by public and professional bodies in the form of agreed principles and guidelines which are designed to protect society’s best practices. When an organization behaves ethically, it is admired, respected and accepted as an epitome of trust. This adds a lot of good reputation to its image.

The last two dimensions from Schwaiger, (2004) including **Social responsibility** and **Reliability** have been explained in the dimensions outlined by Fombrun, (1996) and Susan & John (2003)
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<td>Corporate citizenship</td>
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**Table 2.2. Summary of characteristics of corporate reputation**


The table (2.2) summarizes the various dimensions of corporate reputation by various authors from the literature. The literature indicated that various authors have stated different dimensions of Corporate reputation which shows that there some similarities in the characteristics stated. Example Fombrun (1996) responsibility is captured by both Susan and John (2003) and later by Schwaiger, (2004) and Harrison (2009). Fombrun 1996 mention only 4 characteristics, Susan and John (2003) mentioned 8 while Schwaiger, (2004) and Harrison (2009) mention ten (10).
2.4 BENEFITS OF REPUTATION

In recent times, many schools of thought have questioned the relevance and practicability of developing and managing corporate reputation within an organization. However; van Woerkum & vans Lieshout, (2007, p. 358), believe that a strong reputation has some inherent dangers such that it may induce some rigidity, a willingness to stay on the same track; with the implication of a lack of adaptability, a good reputation can destroy itself. Example, Ghana telecom’s (Onetouch) now Vodafone Ghana was the only (monopoly) mobile/telephone network provider with wide network coverage was suddenly overtaken by Scancom Ghana limited (MTN Ghana); and till date Vodafone Ghana is trying very hard to catch up with MTN Ghana to the first position but could not.

Dolphin (2004, p. 83) however, asserts that one of the greatest mistakes an organization can make is not to recognize the importance of reputation. Therefore management must not be reluctant to adopting corporate reputation within. This was further argued out by Resnick (2004, p. 30), that until companies manage the risk of their reputation in the same manner they assess and monitor potential risks in the manufacturing and financial arena, and remain aware of any and all perception changes on the part of key stakeholders as they remain vulnerable they stand to lose out in the reputation drive and that can affect performance and success. In view of this, Argenti (1997), cited in Dolphin (2004, p. 83) believes that an organization’s ability to develop and manage its reputation will determine its survival. In addition, van Woerkum & vans Lieshout (2007, p. 356), assert that reputation is so fragile and must be managed to avoid any crisis that can imperil it.

The argument still continues amongst and by management professionals and advanced business researchers on the feasibility and significance of developing good corporate reputation in organizations. Reputation has long been seen as an asset. Reputation ultimately becomes an essential criterion to differentiate between organizations. Since
services, products or performances in general increasingly resemble each other, reputation is a significant competitive factor, too (Thiessen & Ingenhoff, 2010). A corporation’s reputation is widely perceived today as an intangible asset that is less imitable by competitors (Itami, 1987), and thus can be successfully used to obtain competitive advantage (Fombrun 1996) which is valuable, scarce, and sustainable (Hall, 1992, 1993). Reputation is the intangible asset most frequently cited by chief executives (Hall, 1992, 1993) and it would scarcely overstate the case to suggest that the annual Fortune Reputation rankings published over the past fifteen years have become the corporate equivalent of the annual Academy Awards, as firms vie hard to one-up their rivals in the annual rankings.

Researchers have long acknowledged the value of corporate reputations in attracting superior employees, capital on favorable terms and conferring bargaining advantages in general over a range of stakeholder relations. These advantages translate into superior competitive advantage and financial performance (e.g. Boyd, Carroll, & Dess, 1996; Brown, 1997; Deephouse, 1997; Fombrun, 1996; MacMillan & Joshi, 1997; Roberts & Dowling, 1997; Srivastava, et al, 1997). Reputations are also important because they often reflect on the quality of the firm’s management. Ballen (1992), for example reports that survey respondents cited “quality of management” as the primary determinant of a company’s reputation.

A positive reputation is a key source of differentiation for an organization which can show the difference between the organization and competition; produce support for the trust and its product which may in turn enhance its stability and resilience in times of change and crises and help it to attract and retain quality staff business partners and allies. Fombrun & Van Riel, (2004), argue that a positive reputation works like a magnet. It strengthens the attractiveness of an organization, simplifying the realization of broad range of activities.
From the research literature we know that companies that are with positive reputation can move more easily, attract and retain employees and can ask a higher price for its products. “They more easily attract new sources of financial capital and less likely to find themselves at risk.” van Riel & Fombrun (2004).

Dooley & Garcia, (2007) argue that good reputation has both tangible and intangible benefits. They are quoted as saying ‘It is important for audiences, from customers to employees to customers advocates, to feel good about an organization and it is important to build a good reputation to sustain an organization through the tough times……..Reputation adds value to the actual worth of an organization – that is market capitalization…..the reputation component of market capitalization, reputational capital is a concept closely related to “goodwill” and it is worth many billions of dollars in large corporations” Davies et al (2003), also argue that “reputation is more than just the customer view. It is about attracting and retaining the best employees finding easy to be trusted and being well treated by suppliers, being seen as the kind of company able to influence local and national governments. In a key area of customer relationships a good reputation is likely to reduce transaction cost. In the labour market it will reduce labour turnover and attract better quality more productive employees”. Good reputation demonstrably increases corporate worth and provides sustained competitive advantage. Karim, (2006) cited in Iwu-Egwuonwu (2010) asserts that “although reputation is an intangible concept, research universally shows that a good reputation demonstrably increases corporate worth and provides sustained competitive advantage. A business can achieve its objectives more easily if it has a good reputation among its stakeholders, especially key stakeholders, such as its largest customers, opinion leaders in the business community, financiers, and suppliers as well as current and potential employees.”
benefits of good corporate reputation can be demonstrated in the following ways as postulated by Iwu-Egwuonwu (2010)

a) The company is freer to put higher price tags on its products and services and customers will be willing to pay such prices

b) In periods of controversy stakeholders will support the company

c) Customers will prefer to patronize the products and services of the reputable company even when other company’s products are available at comparable quality and price.

d) The reputable company is valued in the financial market and its stocks are also valued higher in the capital markets.

e) Corporate reputation is a factor in attracting good job candidates/employees to organizations.

f) It helps to generate consumer loyalty to firms considered by customers as reputable and deserving of their continued patronage.

g) It helps organizations to obtain needed capital for projects.

Conversely a negative reputation or reputational damage can erode support and trust for the organization and its products, create negative expectations, attract hostile scrutiny from mass media and pressure groups and will go a long way to tarnish the relationship with its stakeholders. Public scandals are a major threat to reputation because they can bring organizations into “disrepute”, having an impact on profitability or even organizational survival (Lerbinger, 1997). Barely, a day goes by without some organizations facing assaults on their reputation. There is ample empirical evidence in research to show that reputational crises are on the rise. Crisis situations as an attack on reputation may prove to be either a threat or an opportunity, which depends largely on how an organization’s behavior is perceived by its key stakeholders (Gaultier-Gaillard & Louisot, 2006).
A business case for reputation management can be made to justify the resources and changes required to put reputation and corporate communication on the strategic agenda. As Samuel (2007, p. 235) notes ‘reputation always influence stakeholders decisions involving an evaluation of values verses investment or cost. It is therefore important to ensure your reputation will be viewed as desirable by those making the decision where possible’. (Webley, 2003; Eccles, 2006): argue that bad reputation negatively affects five different types of stakeholders summarized below:

a) **Customers**: Loss of market share, sales revenue, and/or customer loyalty (market risk) and the prevention of premium price.

b) **Employees**: Loss of key human resources and the restriction of talent recruitment (human capital risks).

c) **Suppliers**: Deterioration of services and invoice conditions (e.g. deferred payments) offered by the supplier (contractual risk).

d) **Investors**: Difficulty in securing capital loans, increase in capital costs, reduction of share price (credit/financing risk).

e) **Partners**: Loss of business opportunities and operational process management improvements, due to the opposition to partnerships (agreements and alliances), mergers and acquisitions.
2.5 STRATEGIES OF REPUTATIONAL MANAGEMENT

“The way to gain a good reputation is to endeavor to be what you desire to appear.”

Socrates (469 BC – 399 BC).

“Defend your reputation, or bid farewell to your good life forever”

William Shakespeare

Firms the world over be it large, medium or small in size need to develop strategies that can be used to manage reputation. This is because of the ensuing benefits of corporate reputation that have been captured in the literature. There is an enormous research conducted into the strategies of managing corporate reputation.

Davies et al (2003, p.24) point out that “reputation management is not new. Organizations, individuals, and even formal groups have been concerned about the way others see them from time immemorial. What has changed is the way organizations have approached their management of this area and the importance they give it”.

Harris Interactive in a survey conducted in March 2008 found that over 60% of respondents say they would “definitely purchase a product or service” from companies that were ranked as having strong reputations. This was in sharp contrast that with those at the bottom of the ranking lists where only 5% are likely to purchase and/ or recommend a product or service to others—and you can begin to see why reputation matters.

(www.prophet.com)
2.5.1 Public Relations (PR)

One of the most important disciplines of corporate communication is Public Relations. The Institute of Public Relations (IPR) defines PR as “the planned and sustained effort to establish and maintain goodwill and mutual understanding between an organization and its publics”. PR is defined by Grunig & Hunt (1984,) as “management of communication between an organization and its publics” Fill (2003, p. 619) describes PR “as a management activity that attempts to shape the attitude and opinions held by the organization’s stakeholders. Through dialogue with these stakeholders the organization may adjust its own position and strategy”. Academics and practitioners of Public Relations have most often seen the origins of reputation management in the role of what is variously called Public Relations or Corporate Relations. Davies, et al (2003), argue that Public Relations is a function that is rarely seen as strategic in nature. To a large extent PR is even more closely related to ‘SPIN DOCTOR’ and publicity. PR practitioners have tried to distinguish themselves and to show that they can perform a strategic role. Research on behalf of Corporate Communications Institute in 2004 looked at the primary roles of communication practitioners in fortune 1000. The highest figure (18.4%) said managing corporation reputation was the primary role, Franklin et al (2009).

In the evolution of PR into reputation management can be seen in emergence of public relations, public affairs and corporate communications department in most large organizations. The scope of PR and corporate reputation has grown over the years and continues to grow. Post & Griffin 1997) clearly argue that key concerns for large corporations seeking to manage their reputations include.

a) The potential gaps between what the various publics might expect from a large corporation and the actual perceived performance of the individual corporation.
b) The proliferation, speed and reach of media (such as the internet), allowing issues to explode and with high impact.

**2.5.2 Corporate branding**

One of the strategies that organizations use to manage corporate reputation is corporate branding. A brand is a ‘name, term, sign, symbol or design or combination of them, intended to identify the goods and services of one seller or group of sellers, and to differentiate them from those of competitors[ in the perception of target audience]’ Kotler et al., (1999).

Van Riel (2001) defines corporate branding as “a systematically planned and implemented process of creating and maintaining favourable images and consequently a favourable reputation of the company as a whole by sending signals to all stakeholders by managing behaviour, communication, and symbolism”. Smart businesses actively manage their corporate brand as a means of helping to define, maintain, and improve a reputation. In an era when companies can no longer base their strategy on a predictable market or a stable preferential product range, the ground rules for competition change. Globalization has made companies shift in marketing emphasis from product brands to corporate branding (e.g. Aaker, 1996; Aaker and Joachimsthaler, 2000; Balmer, 1995, 2001a, pp1-17).

Davies et al (2003, p77) argue that ‘anything can be a brand: anything that has associations that are not apparent from an objective assessment of the entity that is purchased can be regarded as a brand’. A corporate brand may defined as ‘a visual representation of a company that unites a group of products or businesses and makes it known to the world through the use of a single name, a shared visual identity and a common set of symbols (van Riel and Fombrun, 2007, p.107). Effective corporate branding will come with dedication to honest self-assessment, responsive attitudes toward
stakeholders, and respect for the values that attract all parties to the corporation (Jo Hatch & Schultz M, 2003).” While the primary purpose of product branding is to aid sales and profitability, the primary purpose of corporate branding is to embody the value system of the company and to help promote and enhance corporate reputation. Ying, (2005),” Ying also argues that ‘A corporate brand is the core component of corporate reputation. Being the face of the organization that owns it, a corporate brand has to communicate to a wider range of audiences than consumers and investors’. Corporate brand equity relates to the attitudes and associations that wide stakeholders have of a company as opposed to those of an individual product (Larkin, 2003). There is a close link between corporate branding and corporate reputation. These attributes may include: honesty, integrity, diversity, quality, respect, responsibility and accountability (cocacola.com), and define what an ethical brand stands for. A corporate ethical brand enhances the firm’s reputation; such a reputation reinforces the brand in turn. At the corporate level, a corporate brand is a vital part of the corporate reputation management. Any unethical Behaviour will severely damage or even destroy the total intangible asset. Ying, (2005),”

2.5.3 Corporate Social Responsibility

Of the strategies firms use to manage corporate reputation is CSR. To this end, firms and academics have their own way of looking at CSR. A firm such as, Morrisons (2005), a leading British supermarket chain, indicate that CSR is “about understanding and managing the relationship between our trading operations and the economy, environment and communities within which we operate”. Morrisons claim that its CSR focus is on “managing the social, ethical and environmental issues that are material to our commercial performance, through a programme of continuous improvement”. Academics such as Hopkins (2007, pp. 15–16), defined CSR as “concerned with treating the stakeholders of the firm ethically or in a responsible manner. ‘Ethically or responsibly’ means treating
stakeholders in a manner deemed acceptable in civilized societies. Social includes economic and environmental responsibility. Stakeholders exist both within a firm and outside. The wider aim of social responsibility is to create higher and higher standards of living, while preserving the profitability of the corporation, for peoples both within and outside the corporation”. Mohr et al. (2001) believed CSR as “a company’s commitment to minimizing or eliminating any harmful effects and maximizing its long run beneficial impact on society”. Firm’s reputation represents an external intangible benefit and is a key strategic variable that firms use to attract better employees and thereby become more efficient and productive. As a result therefore, it is necessary to include reputation in the exploration of how CSR leads to the internal tangible benefits of reduced wage cost and reduced turnover rate, Nurn & Tan (2010). Empirical research shows strong support for reputation as a mediator of the CSR – financial performance link (Orlitzky et al., 2003). Fombrun and Shanley (1990) and Read (2004) also argued that from both theoretical and practical perspectives, organizational reputation is one of the most important CSR (Corporate Financial Performance) mediators.

Branco and Rodrigues (2006) also discussed briefly how the intangible benefits of CSR result in sustained competitive advantage for firms which can be used as a strategy for corporate reputation:

“The contribution that CSR may have to financial performance is nowadays primarily related to qualitative factors, such as employee morale or corporate reputation. It is argued that what explains the usefulness of RBP to the study of CSR and disclosure is the emphasis they place on the importance of specific intangible resources, such as reputation, culture, or employees’ knowledge, and capabilities, because they are very difficult to imitate and substitute.” (p.112)
2.5.4 Risk Management

Reputation risk is viewed by the majority of executives and investors as the most significant threat posed to a company’s global business operations today. “Risk management is certainly not free, and can often be expensive. But the forgoing of it can be far more expensive” (Kaplan & Mikes, 2011). Corporate reputations once established, are constantly in danger of being eroded, undermined, damaged or destroyed. Regester & Larkin (2008) argue that “threats to reputation – whether real or perceived can destroy, literally in hours or days, an image or brand developed and invest in over decades. These threats need to be anticipated, understood and planned for.” Risk management according to the Institute of Risk Management is ‘the process whereby organizations methodically address the risk attaching to their activities with the goal of achieving sustained benefits within each activity and across the portfolio of all activities.’

Sagrove (2005), suggest that Firms can mitigate reputational risks by using:

**Preventive controls:** designed to limit the possibility of a negative outcome (eg safety procedures, maintenance schedules, internal financial controls, monitoring of suppliers ethics)

**Directive Controls:** designed to ensure that particular positive outcomes achieved (eg health and safety regulations, codes of conduct, media relations protocols)

**Detective Controls:** designed to identify and evaluate risk events, for mitigation planning, (eg accident reporting supplier monitoring, critical incident reporting and analysis, gathering stakeholder feedback, media monitoring issues management planning)

**Corrective Controls:** designed to correct undesirable outcomes (e.g. contingency plans, crises management and communications plan, business recovery plans.)
Augustine (2000) argues that “organizations that have thought through what they stand for well in advance of a crisis are those that manage crises best. When all seems to be crashing down around them they have to fall back on” and this could be that the firm has a clear corporate vision, values and principles. For Regester & Larkin, (2008 ,p.2) “understanding and communicating effectively around risk perception can help to reduce conflict and gain support and trust – critical attributes in securing and maintaining customer, investor and employee loyalty”. The strong reputation of a company is built over time and cannot be compromised upon as this helps the company to overcome the bad perception customers used to have about its poor performance in the previous years. van Woerkum & van Lieshout, (2007, pp 358) were of the view that, a strong and positive reputation are able to overcome a crisis, be it an apparent failure in product introduction (as in the case of New Coke) or health-threatening incidents due to production problems (like residues detected in Perrier)

2.6 INFLUENCES / DRIVERS OF CORPORATE REPUTATION

Organizations the world over cannot pretend that the image they are projecting or trying to project is what the target audience have at the back of their minds. There are intervening factors that may in one way or the other create a gap between identity and image. Nelson & Kanso (2008) offer a very simple summary (adopted form the work Gotsi and Wilson 2001, pp 24-30) of the factors that can influence the reputation of an organization. Bernstein, (1984) also argues that corporate reputation is created through a complex range of factors: multiple interactions and touch points with the organization (experience with the products, service encounter, corporate communications and branding); preoccupations; and expectations based on contact with the other similar organizations; messages derived from word of mouth and the media and so on. In addition our image of the organization is filtered by stereotypes or relatively fixed public preoccupations about
- The industry in which the organization operates
- The organization’s country of origin

Bernstein (1984), extends this argument and claims that individual organizations may not be able to do much about these preoccupations (given the public belief that the exception proves the rule). To create and modify organizations image and reputation they can only manipulate controllable factors such as product and service quality, personal interactions, advertising and other marketing communications, visual identity elements and to a lesser extent media comment and word of mouth or buzz marketing.

The literature has also revealed that Grayser (1999) suggest that the key drivers of corporate reputation are:

- Competitive effectiveness
- Market leadership
- Customer focus

Figure 2.2: Internal and external influences on corporate reputation (Nelson and Kanso, 2008)
The literature identified that the influences of corporate reputation can be grouped into three basic headlines namely internal, external and relational influences or drivers:

2.6.1 External influences of Corporate Reputation

**Political/Legal factors:** The political environment embraces factors such as policies, local and national government bodies, and supra national institutions such as state support for industries, whereas the legal environment embraces factors such as laws and regulations governing the country (Vincent, 2009). Reputation, in an unregulated economy, is a major competitive tool. (Barron & Rolfe, 2011). There is the need to have an economy with strong political institutions as they directly impact on the profitability of corporate activity: strong political institutions can lower the costs of trade, making it less risky to invest in trade and easier to monitor trading partners (North, 1990; Williamson, 1981). Greif, (1992) argues that government regulations can decrease profitability in cases where reputation mechanisms have broken down or have otherwise been supplanted with formal regulation.

**Economic factors:** Economic factors include the general level of activity and growth in the economic system (Vincent, 2009). Example, between the first quarter of 2009 to the second quarter of 2011, inflation in Ghana has decreased from 18% to approximately 8.5%. “In an economic research by the Economy Watch led by Juan Abdel Nasser, Ghana is ranked the fastest growing country in the world… The growth rate is much higher this year with Ghana toping it with growth of 20%... Coupled with this development, Ghana’s inflation has decreased from 18% in 2009 to 8.5% in the second quarter of 2011 which
further shows resilience in the economy…” (Graphic Business, Tuesday, July 5, 2011: By Francis Tawiah). This has the tendency to stabilize the prices of goods and services. To this extent the reputation of an organization can be influenced in a way that the public perception of the firm will show how it is able to survive within the economy.

**Socio-cultural factors:** the socio-cultural environment involves the people aspect of the society in which the organization operates and from which it draws its strategic resources (including employees, suppliers, and customers). According to Lomax & Raman (2008) the socio-cultural factors determine the lifestyles and values of clients hence play a major role in determining their needs. Within the sphere of socio-cultural issues one can include the ethical environment which embraces issues connected to CSR and business ethics which have a direct impact on reputation.

**Technological factors:**

Literature suggests that innovation is a powerful means for companies to adapt to changing environments and expectations, as well as to achieve differentiation (Miller 1986). According to Vincent (2009) the technological environment embraces the technological sophistication of the organization’s market and the development in Information Communication Technology (ICT). Technology creates reputation for innovation in the world today. Daft (1978) looks at innovation as a departure from the past through the adoption of something new.

**Country of Origin effect (COO)**

For some time now there have been several researches that have examined the effect of COO on consumers’ overall evaluation of product quality, beliefs regarding individual attributes of a product, attitude towards brand, and behavioral intention, Agrawal &
Kamakura (1999). According to Nagashima (1977) the Country of Origin is “the picture, the reputation, the stereotypes that businessmen and consumers attach to products of a specific country”. People tend to develop generalized images, stereotypes or preconceptions about the products of different countries based on the level of industrialization or technological development, representative of the product or identified with the country; historical events etc. according to Davies et al (2003, p96) some consumers appear to be indifferent to the county of origin while others search for country of origin information before making a choice. Porter (1980) suggested that a country may indeed have an economic advantage in supplying a particular product or service. Agrawal & Kamakura (1999) again argue that “if consumers hold a positive (negative) product–country image for a given product and country, this image could lead to a generalized positive /negative evaluation and attitude towards all the brands of a product associated with that country”. This can influence the reputation of the company. In Ghana, People believe in products that come from UK, Europe and US than they believe in companies from elsewhere.

2.6.2 Internal influence of Corporate Reputation

Varey, (2002, p206) suggested that “a false reputation can be built by convincing the publics that the corporation possesses certain desirable characteristics which it does not have. The danger of discovery is that the whole reputation is damaged, not just the attribute that was simulated or hidden”.

Vincent (2009) classifies internal factors as follows:

**Vision**: Johnson et al (2005) define vision as “strategic intent, or the desired future state of the organization… an inspiration around which a strategist, perhaps a chief executive, might seek to focus the attention and energies of members of the organization”. This vision should be inspiring enough to indicate a competitively unique, point of view about
the future. It also should indicate how it will personalize and unify the view of the future that will inspire staff to work towards achieving that.

**Mission:** “A mission is a task, duty or purpose that sends some on their way. Hence corporate mission can be understood as the basic drivers sending corporations along its way and consists of the fundamental principles that mobilize and propel the firm in a particular direction” (Kofkin, 2010 p. 3).

**Strategy:** it is “the direction and scope of an organization over the long-term: ideally, which matches its resources to its environment and in particular its markets, customers or clients so as to meet stakeholder expectations.” (Johnson et al, 2005).

**Finance:** According to Doole and Lowe (2008) financial performance relates to return on equity ratio (which measures profitability) and gross premium to equity ratio (which assesses the capital adequacy of an organization) among others. An improvement in profitability could impact positively on the reputation of the company.

### 2.7 SERVICES LITERATURE

In one way or the other everybody uses services. Some of the services that are used in our daily lives include: as captured by Lovelock et al, (2004,) “Turning on a light, watching TV, talking on the telephone, catching a bus, visiting the dentist, posting a letter, getting a haircut, refueling a car, writing a cheque or sending clothes to the cleaners are all examples of service consumption at the individual level. The institution at which you are studying is itself a complex service organization. In addition to educational services, the facilities at today’s colleges and universities usually comprise libraries and cafeterias, counseling services, a bookshop and careers offices, copy services, telephones and Internet connections, and maybe even a bank. If you are registered at a residential university, additional services are likely to include halls of residence, health care, indoor and outdoor
sports and athletic facilities, a theatre and, perhaps, a post office.” Services have been defined severally by different authors such as Grönroos (1990, pp. 26–7.) “a service is an act or performance offered by one party to another. Although the process may be tied to a physical product, the performance is essentially intangible and does not normally result in ownership of any of the factors of production”.

Gummesson, (1987) interestingly, described services as ‘something which can be bought and sold, but which you cannot drop on your foot’. Services are generally characterized by intangibility, inseparability, heterogeneity and perishability (Hill and Neeley, 1988). Due to the nature of services as it is characterized as intangible (Bateson, 1977; Lovelock, 1981) they are seen to be performances and not the tangible product that the customer purchases. **Intangibility** according to Bateson, (1979) is the critical goods- services distinction from which all other differences come up: **Inseparability**; It is worth noting that services are consumed in the presence of the consumer and for that matter it cannot be separated from the consumer. Carmen & Langeard, (1980 p.8) argue that inseparability “forces the customer into intimate contact with the production process”. Inseparability makes marketing highly interactive (Grönroos, 1978). **Heterogeneity**: this means that no one service can be rendered equally to different consumers. Services vary from provider to provider and from time to time. Knisely, (1979a p.58) argues that the level of consistency of employees at work is not certain and for this reason one’s performance on the same service may differ. **Perishability**: means that services cannot be stored or kept for reuse (Bessom & Jackson, 1975, Thomas, 1978). There are several service examples that cannot be saved. The evaluation of services cannot happen prior to purchase and can only take place during or after the service delivery.
In determining services Ettenson & Turner (1997) proposed a hybrid of five service dimensions (using Kotler & Lovelock) for better understanding of differences between service providers:

1. The commitment between service provider and consumer,
2. Significance of the service to the consumer,
3. Degree of customization required,
4. Degree of professional judgment exercised in rendering the service,
5. Whether or not the service is equipment- or people based.

2.7.1 An Overview of Services

2.7.2 Classification of Service Provider Selection

Service provider selection criteria largely depend on the service type. Ettenson & Turner (1997) and Collier & Meyer (2000) classifications identify three types of services including Professional services, Service shops and Generic (mass) services of which Mobile telecommunications is part. Within the services market there is a number of inherent differences between specific service types (Grace & O’Cass, 2003). Service provider selection is a very challenging issue in service marketing because it marks the relationship between a customer and the provider and is the most important step in acquiring a new customer for a service provider. This is very important as consumers usually buy products in a “hierarchical” order moving from relatively simple services to more complex and expensive ones (Devlin, 2002). A research conducted by Day & Barksdale (2003) found that purchasers of architecture and engineering services are looking for the most important dimensions when selecting a service provider some of which include; Perceived experience, expertise and competence of the provider. For some time now only a few studies have investigated Mass (generic) services. Collier &
Meyer, (2000) argue that generic (mass) services that are processed in large quantities by a typical service unit per day have not received highly considerable attention compared to, for example, financial services. Gerrard & Cunningham (2001) cited in Ramune & Laimona (2007) in a study of bank selection criteria, grouped individual criteria into seven factor groups (appearances, service provision, people influences, non-people influences, convenience, electronic services and secure feeling).

2.8 THE LINK BETWEEN REPUTATION AND SERVICES

Reputation is a vital component of a company’s value and a key measure of performance, functioning as a mechanism which decreases uncertainty for customers and increases marketing effectiveness, customer satisfaction, and customer base, (Kotha et al., 2001). Zineldin (1996) surveyed 400 consumers in Sweden and based on their responses grouped bank selection criteria into five attribute groups: service quality, credit availability and price competition, delivery system, promotion and reputation, word-of-mouth and differentiation. Ali & Zia (2011b) also examined the influence of corporate reputation in consumer behavior in cellular industry of Pakistan. Ali (2011) conducted a study which concluded that corporate social responsibility is having significantly positive influence on corporate reputation and consumer purchase intentions. Moreover, corporation reputation also affects positively and significantly on development of purchase intentions in customers. Therefore customer behavior can be shaped favorably towards corporate products and services by undertaking more social activities and improving reputation of doing well by the corporations. According to Nguyen & Leblanc, (2001) there are sectors in the service industry that rely so much on their corporate reputation to attract and retain their customers e.g. banks, hotels, hospitals, consulting firms, and educational institutions. A favorable corporate reputation can enhance the profitability of the firm as argued by Nguyen & Leblanc (2001) who indicated that customers are more likely to purchase the
products or services from companies whom they perceived as having favorable reputation among their competitors. Fombrun (1996) also stressed that a good corporate reputation would enhance profitability because good reputation would attract customers to products, attract investors to securities, and attract employees to do their jobs properly. Corporate reputation in the marketplace plays a similar role to brand equity, especially when the company’s name is a part of brand identification (Yoon et al., 1993) as it is the telecommunications industry in Ghana. (Hj Awang, 2009) in a research conducted in Malaysian telecommunications Industry concluded that “the strength of corporate reputation of the firms alone does not at all help them to survive through the competitive environment of mobile telecommunication industry. The competing players need to instill favorable quality of their services and also favorable value of their firms in the eyes of their customers in order to gain competitive advantage in the market. This is because once the service orientations are uniformed and customer choices are plenty, customers are looking for something else to base their decision. And, in the case of telecommunication industry, the corporate reputation helps”. Ramune & Laimona (2007) in a research conducted in service provider selection in Lithuanian and Nordic mobile telecommunications sectors concluded that reputation plays a role in the selection of service provider in Lithuania but not in Nordic countries. A good brand or reputation stimulates purchase by simplifying decision procedures for customers. In the services marketing literature, the common link between reputation and satisfaction is perceived quality. A good reputation for high quality means more customers, fewer dissatisfied customers and profitability increases, Chun, (2005). Existing customers will provide positive word of mouth (Weigelt and Camer 1988, 450). Anderson & Sullivan (1993) also argue that ‘high customer satisfaction develops positive reputation’. It means that, reputation can be seen as a consequence of satisfaction (Anderson & Fornell 1994, 253).
Andreassen (1994) found that reputation is positively correlated with satisfaction and loyalty, but no relationship was found between satisfaction and loyalty.

2.9 CONCEPTUAL FRAMEWORK

The theoretical framework that is used in this study is the theory of Resource Based Value (RBV) by Birger Wernerfelt (1984). In this theory, Wernerfelt argues that, a company’s competitive advantage is derived from its ability to assemble and exploit an appropriate combination of resources (both tangible and intangible assets). Amongst the intangible assets of an organization is reputation. From the theory it can be argued that if reputation is to be considered strategic then “it must be valuable ... rare and non-substitutable”.

Wernerfelt (1984) argues that both tangible and intangible assets of an organization have very good purposes. Looking at this, conflict then arises as to whether to give more preferences to the tangible assets or the intangible assets. Barney (1991) indicates firm resources as “all assets, capabilities, organizational processes, firm attributes, information, knowledge etc. controlled by a firm that enable a firm to conceive and implement strategies that improve efficiency and effectiveness”. A corporation’s reputation is widely perceived today as an intangible asset that is less imitable by competitors (Itami, 1987), and thus can be successfully used to obtain competitive advantage (Fombrun 1996) which is valuable, scarce, and sustainable (Hall, 1992, 1993). Reputation is the intangible asset most frequently cited by chief executives (Hall, 1992, 1993) and it would scarcely overstate the case to suggest that the annual *Fortune* reputation rankings published over the past fifteen years have become the corporate equivalent of the annual Academy Awards, as firms vie hard with to one-up their rivals in the annual rankings. Researchers have long acknowledged the value of corporate reputations in attracting superior employees, capital on favorable terms and conferring bargaining advantages in general over a range of stakeholder relations. These advantages translate into superior competitive
advantage and financial performance (e.g. Boyd et al, 1996; Brown, 1997; Cordeiro & Sambharya, 1997; Deephouse, 1997; Fombrun, 1996;)

Reputations are also important because they often reflect on the quality of the firm’s management. Ballen (1992), for example reports that survey respondents cited “quality of management” as the primary determinant of a company’s reputation.

In most cases shareholders have a problem with organizations when it has to spend a lot on intangible assets such as reputation which is not directly seen to add any value to their dividends. According to David & Cynthia (1995; 1998), the company will be positioned to succeed if it has the best and most appropriate stock of resources for its business strategy. The assertion that for reputation to be seen as strategic it should be valuable is true as one can argue that reputation affect all facets of the life of the organization including the employees who might be draining the so called valuable assets of the company. Therefore, corporate reputation of a firm should be considered as an asset and wealth (Hall, 1992), that gives that firm a competitive advantage (Barney, 1991) so that the firm will be regarded as reliable, credible, trustworthy and responsible for employees, customers, shareholders and financial markets (Fombrun 1996).

Gupta, (2002) states that there is an empirical evidence between corporate reputation and competitive advantage for the firms by successfully differentiating it from competitors. Among the components of competitive advantage are willingness to purchase, willingness to pay premium price, customer satisfaction and customer loyalty, (Hj Awang, 2009)

In the context of this research the intangible assets of the organization is considered to be reputation which will be looked at as major driver of corporate success, sustenance and the
achievement of long term objectives as customers would choose a service provider based on the reputation of the firm. The argument here is that customers consider elements such as price, competition, service failure, inconvenience and brand image (Keaveney, 1995) as reasons for choosing a service provider.

There are several models that can be used to measure the reputation of a company. The advantage is that the criteria is usually tailored to measuring specific circumstances target audiences and aims of the organization. The models of measurements that are used include the *Fortune* Magazine’s Most Admired Companies in America (AMAC) survey (Stein, 2003; Chakravarthy, 1986; McGuire et al 1988). In this survey about 10000 executives, directors and securities analysts are asked to select the five companies they admire most, regardless of the industry. Respondents are then asked to rank the 10 largest companies in their industry an eight key reputation attributes on the scale 0-10. Respondents are asked to rate a competitor’s reputation in terms of eight key attributes of reputation: (1) Financial soundness; (2) Long-term investment value; (3) Use of corporate assets; (4) Innovativeness; (5) Quality of the company’s management; (6) Quality of its products and services; (7) Ability to attract, develop and keep talented people; and (8) Acknowledgement of social responsibility (Fortune 2000). The Harris-Fombrun Reputation Quotient (RQ) Model which is used to measure the reputation of a firm. It uses six dimensions (Products & services, Workplace environment, Financial performance, Vision and leadership, emotional appeal and Innovation); and twenty attributes as outlined in the model. The model attempts to examine the interrelationship between the attributes and the dimensions and the overall or aggregate rating of corporate reputation. It is one of the first measures for reputation and most recent measures for reputation are based on the Reputation Quotient. Wartick (2002) argues that the Reputation Quotient is a good measure for reputation as it is broad and generic enough making it applicable to most
stakeholder groups. Groenland (2002) highlighted that the Reputation Quotient satisfies the psychometric properties, and the practical experience in many different commercial settings including the telecommunications sector. This shows the usefulness of the Reputation Quotient and the confidence for scholars to adopt it and that is also a reason for its adoption for this study. The RepTrak® system (Fombrun et al 2000; Gardberg, 2006) which is seen as the successor of RQ from 2005. It is a tool used to measure track and analyse corporation reputation using the RepTrak® Scorecard instrument. They expect you to be leading within 7 key dimensions: 1.Products / Services 2.Innovation 3.Workplace 4.Governance 5.Citizenship 6.Leadership 7.Financial Performance.

From the above one can argue that the models that have been used in measuring corporate reputation fell short of targeting customers only and finding their views on corporate reputation. The models address elements beyond customers and some of them cannot be dealt with by the customer example financial performance, employee and work place environment as well as leadership. Due to this a model has been adopted in order to address or measure only the customers’ perspective of the reputation of companies. This model will address the only issues that are related to only the customers. Elements of the model have been adopted from previous models of corporate reputation such as the Reputation Quotient, RepTrak and Fortunes AMAC with main focus on customer perception on the reputation of corporations.
Figure 2.3: Customer perspective model for corporate reputation

2.9.1 Elements of the Conceptual Framework

Approaching corporate reputation in the context of the customer can be divided into two main categories. These are the **corporate role-based** and the **corporate character-based** approaches (Berens and van Riel 2004). Corporate role-based reputation is closely related to the cognitive attributes of a company and focuses on perceptions of how well the company performs its roles and functions, while corporate character-based reputation is more concerned with the emotional feelings held of the company and often focuses on personality traits. This study is not aimed at linking the two categories but using the two as a means of finding the relationship between corporate reputation and service provider selection by customers.
Products and services

The model suggests that the reputation of a company can be looked at from the products and services including High quality, Innovative, Value for money,( Fombrun, 1996; Groonros, 1988, Gurhan-Canli & Barta, 2004; Sichtmann, 2007; Daneel, 2002). Research conducted (RepTrak™ 2012 in the UK ) shows that 69% of people’s willingness to say something positive about an organization is influenced by their perception of the company, and at least 31% by what they think of the company’s products and services (www.reputationinstitute.com) which therefore means that, the products and services of a company at least play a role in its reputation. When customers get value for money, high quality products and innovative products they speak well of the company. Customers are happy when a company offers reliable products and service; or the products and services make a difference in the life of the consumer. Product quality determines the price and companies with higher prices are seen to be producing high quality product with higher prices. “The price tag which organizations put on their products/services has long been theoretically associated with their reputation. That is, organizations that have higher reputation put higher price tags on their products than would lower reputed organizations. This suggests that reputation works as a signal for quality.” (Iwu-Egwuonwu, 2010).

Shapiro, (1983) also argues that because reputation also serves as a signal of the underlying quality of a firm’s products and services, consumers may pay a premium for the offerings of high-reputation firms, at least in markets characterized by high levels of uncertainty. According to Hennig-Thurau et al. (1997), satisfaction of customers with products and services of a company is considered the most important factor leading toward competitiveness and success, and it is what makes customers loyal to one telecommunication service provider or the other.
Innovation

Organizations that are innovative stand the chance to attract more customers especially in the modern world where customers are sophisticated and are in demand of tailor-made products and services. Innovation leads to customer impact and customer value. Innovation is a powerful means for companies to adapt to changing environments and expectations, as well as to achieve differentiation (Miller 1986). Most of the definitions of innovation suggest a departure from the past through the adoption of something new (Daft 1978). A number of different dimensions of innovation can be distinguished in the literature involving organizational as well as technical innovation (Daft 1978); process innovation and product innovation (Utterback & Abernathy 1975). According to Fombrun, (1996) reputation is regarded as arising from perceptions of how organizations will behave in the future based on information about past actions and based on this, innovations imply promises about future performance and should be seen as a future oriented phenomenon, which can influence Corporate Reputation. A strong reputation results from “consistent information signals over time, which constituents believe, share and trust”, Dentchev & Heene, (2004). Initially innovations require trust, and with time this trust, whether good or bad, will be turned into a reputation, Luoma-aho, (2005). Innovation is especially important for reputation, as they are often intangible, existing in the beginning only on the level of ideas, and thus have little history to build on.

Citizenship

There is a high level of public interest in corporate citizenship from customers and it is no surprise to find that companies with the most direct relationships to consumers are working hard to ensure that their suppliers demonstrate high standards of corporate citizenship. Customers clearly want companies to behave as good corporate citizens. A research conducted by WBCSD (2002) revealed that in the United Kingdom, 92 percent
of customers think that British companies should have a minimum standard of labour conditions for their developing-world suppliers and 41 percent say that corporate social responsibility is important in their purchasing and for that service provider selection. These attitudes can be replicated across the globe. One of the most comprehensive surveys of consumer attitudes toward corporate citizenship, involving 25,000 individuals in 26 countries, found that more consumers form their impression of a company on the basis of its corporate citizenship practices than do so on brand reputation or financial factors. Almost 60 percent of those interviewed cited labour practices, business ethics, responsibility to society at large, or environmental impact as factors that influence their views of companies. http://www.mori.co.uk. Roberts et al ( ) concluded in their study that “Companies that take corporate citizenship seriously can improve their reputations and operational efficiency, while reducing their risk exposure and encouraging loyalty and innovation. Overall, they are more likely to be seen as a good investment and as a company of choice by investors, employees, customers, regulators, and joint venture partners”.

**Brand Image.**

Brand image is defined and measured as a “set of associations which a brand has acquired for an individual” (Joyce, 1963, p. 45) and as “brand associations in consumer memory” (Keller, 1993). Van Riel (2001) defines corporate branding as “a systematically planned and implemented process of creating and maintaining favourable images and consequently a favourable reputation of the company as a whole by sending signals to all stakeholders by managing behaviour, communication, and symbolism”. Brand image can be defined as the set of associations in the minds of consumers concerning what a brand stands for and their expectations regarding key characteristics of products or services bearing the brand. An interesting variation on this theme is the concept of brand personality, defined as “the
set of human characteristics associated with a brand” (Aaker, 1997, p. 347). This can be seen as an approach to understanding the impact of a brand on a consumer in a way that suggests a particular means of measurement. There is ample literature that suggests brand image can be related to corporate reputation there by leading to customer making a choice of service provider. Though Cretu & Brodie, (2007) conclude that brand image and corporate reputation are distinctly different constructs. Moorthy, (1985) rather argues that brand represents corporate reputation. Reputation consists of brands, trademarks, and customers loyalty (Aaker, 1991; Herbig, 1994). Lin, Li, & Huang, (2003) suggest that Corporate reputation depends much on brand that carries corporate image. Varadarajan et al., (2006) finally argues that in a firm’s brand portfolio there should be deleted brands that have an adverse impact on the firm’s reputation; investments should be made on brands that have potential to make a positive impact on the firm’s growth, profitability, and reputation.

**Emotional Appeal**

People have emotions that have a strong impact on the actions they take. It is argued that , people who are in a positive frame of mind tend to take more positive actions with more positive perceptions in general, while those with more negative framework tend to be more negative in their actions (Loewenstein et.al, 2001; Goates, 2008). If an individual is feeling happy (for any reason), they are more likely to make positive judgments about others (Bower, 1991). Emotions can therefore be seen as guides to decision making when purchasing goods from one manufacturer instead of another or choosing a provider over the other as argued by Shiv & Fedorikhin, (1999). The connection between reputation and emotions has been determined mainly in various reputational metric tools, of which the two most well-known are Reputation Quotient (RQ) and Fortune AMAC rankings. Fombrun (1996, p. 72), states that reputation is about a company’s overall appeal to all its
key constituents/stakeholder (including customers) when compared with other leading competitors. His reputation meter (the Reputation Quotient: Fombrun et al., 2000) accordingly mentions emotional appeal as determinant of corporate reputation.

**Competitive advantage**

A competitive advantage is an advantage gained over competitors by offering customers greater value, either through lower prices or by providing additional benefits and service that justify similar, or possibly higher, prices. For growers and producers involved in niche marketing, finding and nurturing a competitive advantage can mean increased profit and a venture that is sustainable and successful over the long term.

According to a recent report by the Reputation Institute (a consulting firm specialising in reputation management) corporate reputation can be an additional source of competitive advantage. The report shows that the motivation to support an organization – for example, through purchase, referral, positive word of mouth and benefit of the doubt in crisis – is not, in the main, influenced by products and services. Out of the seven dimensions of corporate reputation, the report finds that products and services and innovation together only account for on average 30-45 per cent of the overall reputation. The remainder is accounted for by the corporate dimensions: the company and people behind the products. The Institute finds that the leading companies of the world recognize that competitive advantage is created by reputation, image and trust – products are merely a ticket to enter the market. The report measured the reputation of 100 leading global companies among consumers in 15 countries; the ranking below right shows the results. The Reputation Institute says that these companies have embraced their reputation as an important asset and will continue to carefully manage how they are perceived by all stakeholders across all countries and business units. These leading companies communicate and act in a way valued by their stakeholders, and are creating a balanced approach across the dimensions.
of corporate reputation - and they are rewarded by trust and business across products, markets and cultures. All companies have a reputation, be it good or bad: this report argues that it can be measured and actively managed. *Taken from The 2011 Global RepTrak 100: Results and Report*

2.10 SUMMARY

The literature that has been captured show a vivid picture of some scholarly works that has been done on the both service provider selection and corporate reputation management. It is of interest to realize that there are gaps in the literature that the research project hopes to unravel and try to fill in. A conceptual frame work based on the resource base theory and corporate reputation has also been used and based on that the author develops a framework that will be used subsequently to answer the research questions that are proposed in the research.
CHAPTER THREE
CONTEXT OF THE STUDY

3.0 INTRODUCTION

This chapter outlines the industry under consideration that is the telecommunications industry. It looks at an overview the industry as a whole in the perspective of the world of telecommunications. It also considers the history of GSM/Mobile Telecommunications, the Mobile Telecommunications Industry in Ghana, Telecommunications Reforms in Ghana as well as the market structure of telecommunications in Ghana.

3.1 AN OVERVIEW OF THE TELECOMMUNICATION INDUSTRY

One of the fastest growing businesses in the world today is Telecommunication. It uses computer technologies in transmitting of information from one-to-one to one-to-many users. This is done by either in the forms of voice or data. It links up the whole world in business transactions and agreements, friendships and so on.

The industry is one that can boast of large multi-nationals like American Telephone and Telegram (AT&T) Corporation which was diversified decades ago as well as its rebirths into Bell South (Verizon) Corporation in the USA today. Whereas Verizon Communication Incorporation has about 194,000 employees to provide various degrees of services from roaming, to fixed line telephone for their customers across the length and breadth of the United States of America and beyond. (ITU Reports)

AT&T is one of the largest provider of fixed telephone in the USA, broadband and subscription television services. It is among the 7th largest companies in the USA, behind Wal-Mart, GE, etc. They have a customer base of over 96 million mobile customers. Rogers’s communication is among the largest communication companies in the field of
wireless communications, among cable television, home phones, and internet with additional telecommunication and mass media assets. (ITU Reports)

3.1.1 History of GSM/Mobile Telecommunication

Reginald Fessenden’s Radiophones invention during the World War II marked the significant step to having an improved technology for the mobile phone industry. His Shore-to-Ship communication helped in having this brilliant cordless telephone that could make and receive telephone calls provided one was hooked up to a cellular network operator.

The whole idea was first mainly for the use of the military in the 1950’s to help them supply troops with logistics and arms as a more advanced form of communication that was used by the United States. This saw the emergence of different forms of broadcasting technologies that came up from 1947 to 1979.

This advanced Mobile Phone service networks came into being by first starting with mobile phones that were only glued to vehicles due to power and weight constraints. The mobile phones first emerged with the first-generation analogue systems before transforming into the GSM in April of 1991 known as the second-generation.

World brands like Nokia did not start its operations as an electronics manufacturer but as a raw material company. It grew up into becoming a conglomerate. It was then active in paper, rubber and chemical but the evolution took place in the 1980’s into the 1990’s, when the activities were diversified from the chemical into an electronics manufacturer. Their strategy had paid off with the Nokia brand emerging as the one of the world’s vendor in the mobile handsets business since the late 1998 till date.
Through innovation and market segmentation, Nokia saw the need for different products for different lifestyles. With the level of penetration of the mobile telecommunication industry, one will argue that they are nearly at the right place at the right time. This technological and mobile handset innovation was introduced into Ghana as well.

3.2 THE MOBILE TELECOMMUNICATIONS INDUSTRY IN GHANA.

The evolution of the telecommunications industry, over the past years in the world, has seen several and unimaginable inventions in the computer age. It has provided a lot of dynamic changes in the Information Communication Technology (ICT) world where at a click of a button, one can envisage the whole world. Communication is one of the key frameworks to economic growth and sustainability for a developing nation such as Ghana. Since access to most cities, towns and villages across the country are most of the times not accessible by vehicles; one will require communication gadgets such as telephones and mobile phones to reach business partners, families and friends located at these remote places. This can be done through a phone call, text messaging, voice mailing, E-mailing or internet browsing and several other Value Added Services.

Ghana, the gate-way to West Africa has seen a lot of infrastructure growth in the telecommunication industry over the past two (2) decades. The entrance of international players like Vodafone to the Ghanaian market marks a major mile stone in the history of the industry as well as shows how competitive the industry looks.

As a matter of fact, other key players like MTN had already started enjoying the competitiveness of the market with TIGO, EXPRESSO, and AIRTEL on the market. GLO a new occurrence on the market is putting the necessary structures, infrastructures and technology in place to aid its emergence into the telecommunication market of Ghana. With this changing environment in the industry, more is therefore desired from the
operators than just the traditional way of providing services and product unto the Ghanaian market by NCA, (2010).

The Telecommunication industry of Ghana has six major operators including; Millicom Ghana (now trading under the brand name Tigo) as the first investor, Scancom Ghana (now trading under the brand name MTN); CellTel Ghana (now trading under the brand name Expresso); Westel Ghana (now trading under the brand name Airtel); Ghana telecom now operating as Vodafone and Globacom operating the brand name GLO which came on board recently with the referee being the National Communication Authority (NCA). Out of this number only two operators have the license for fixed telephony network that is Vodafone and Airtel. The NCA has the mandate to supervise and control activities of these operators. The Total Cellular/Mobile Voice Subscriber Base in Ghana as at August, 2012 stood at 24,438,983. www.nca.org.gh

MTN had a marginal increase and maintained its position as the market leader with a subscriber base of 11,017,581 representing 45% of total market share. Vodafone’s subscriber base increased to 4,901,555 which represents 20% of total market share. Tigo had a marginal subscriber base decrease; closing at 3,684,951 which represents 15% of the market while, Airtel increased its subscriber base to 3,042,409 representing 12% of the total market share. GLO the new entrant continues to increase its subscriber base; its current subscriber base of 1,613,688 representing 7% of the total market share. Expresso though, decreased its subscriber base to 178,799. The 178,799 represents 1% of the total market share. www.nca.org.gh

3.2.1 Telecommunications Reforms in Ghana

Ghana is one of the first in Sub-Saharan African to deregulate as well as liberalize its communication industry. It follows the free market theory, encourages competition among its operators for a better and refined services for its customers across the length and
breadth of the telecommunication divide. The open market principle was the main market structure for the industry amidst fair competition as the bedrock for the development of the Telecommunication industry in Ghana.

The Economic Recovery Programme started in the 1983. It made some key Structural Adjustments in the telecommunication industry. In this, deregulation was a necessary issue which allows competition within the industry. This was a liberalization plan to encourage private sector participation in the industry.

Before the early 1990s when the main telecommunication reform started in Ghana, there was only one Telecommunications Company in Ghana ie Ghana Post and Telecommunications Corporation (GP&T). There were a number of significant projects which were earmarked to improve the operations of the incumbent and also to introduce competition into the sector. In 1975, GP&T started a series of projects known collectively as the First Telecommunication Project (FTP) which aimed at rehabilitation, modernization and expansion of Ghana’s national telecommunication network (Allotey & Akorli, 1996). The project which was sponsored by the Government of Ghana (GoG) and some international donor agencies from Canada, Japan and the Africa Development Bank totalled $76million and was planned to last from 1975 to 1979. The FTP was delayed as a result of changes in government, economic recession, and other social factors, it was eventually completed in 1985. There were marginal accomplishments from this project.

The 1990s saw global pursuant of telecom liberalization and regulatory reform that was unparalleled to any technologically led reform since the beginning of the century and Ghana was no exception. The industry in Ghana has been operating fixed and mobile/cellular networks for the Ghanaian public.
This saw Ghana having a mix of commercial mobile services till date but the First generation mobile technology is gradually facing out. Hence, the acceptance of the GSM network as the new generation of mobile phones across the world today. It comes in a handy and light form for easy usage. Ghana as a country had its fair share of the GSM with Scancom Ghana trading under the brand name Spacefon. This saw a total evolution of the industry as it was the first to launch the service in Ghana in the late 1995.

3.2.2 Telecommunication Growth in Ghana

The level of penetration for the mobile telecommunication industry was about seventy four percent (74%) which is as overwhelming as at December, 2010 against a fixed line penetration of about one percent (1%). Ghana over the years has seen the mobile telecommunication industry grown to overtake the fixed line telephony industry. A country with a population of about (24,658,823 million) GSS 2010 have adapted to the mobile phone usage than that of the fixed line telephones. This means that, the mobile industry serves approximately about 26,037,525 million customers across the country a little the population. This implies that the fixed line telephone is gradually facing out. It had received less patronage from the citizens which may be due to various reasons such as difficulty to access the facility as well as bureaucratic bottlenecks in acquiring a fixed line telephone at home or work.

Since the year 1997, Ghana’s telecommunication industry had seen the growth of mobile network companies take over the entire telecommunication market with a consistent growth from Seven Thousand, Five hundred and Seventy-five (7,575) to Four million, Nine Hundred and Sixty-Six thousand, Seven Hundred and Ninety-Seven (4,966,797) subscriber base whiles fixed telephone acquisition faces a downward trend as reported by the NCA, (2010).
Researchers like Cowhey (1990, 1999) suggested that this can be pointed to the “revolution in telecommunication technology”. Others like Samarajiva (2000) noted how some financial institutions like the World Bank and some advanced countries such as the United Kingdom (UK) do influence certain global policies on telecommunication.

Furthermore, Pisciotta cited by Tobbin (2010), conceived that the key drivers for the telecom reform were due to technological changes and urgency needs to create a center of attention for the financial investment into the sector.

Whilst some will consider endogenous (internal) institutional factors like poor economic situation, Foreign Private Investment (FPI) attraction and the existing political system were proposed by Haggarty et al (2002) as the major drivers of the reforms in the telecommunication industry. One cannot be wrong since poor economic factors did not cheer up foreign direct investment into that economy since investors wants to rip back profit from their investment within the shortest possible time. It will also require some encouraging rules to guide capital flight in the existing political dispensation. These investors at all time will require this opportunity. In addition, the incompetence of the monopoly operator had always been highlighted by nearly all researchers; as the major impetus for the reform to be undertaken to improve upon their service delivery to the general public within an economy by Melody (1997).

Therefore as technological change can be laudably supported before the need for financial investment, this factor is the bedrock to this industry as science and technology forms the bases for its operation. Others can be the political stability prevailing in the country in question as the more politically sound the nation is, the more investors can identify their potential clients and their market share.
As one can acknowledge the fact that, the rate at which technology is evolving, it requires equal response by the industry players to attain their set objectives of maximizing revenue and decreasing their cost of operation through the use of technology, Innovation and entrepreneurship drive to instigate the market place to be a force to reckon by competitors.

The evolution of telecom in West Africa really started in Ghana in the early months of the year 1992. Millicom Ghana launched the first privately owned Mobile network telecommunication operation under the brand name Mobitel Ghana. This has since seen evolutions and dynamism of the industry till date with so many reforms being undertaken day-in and day-out to better their services and products.

Until 2004, Ghana had two licensed operators by name Ghana Telecom and Westel who had the official authorization to maintain the physical gateway connections SAT 3- access (Satellite 3 access point at kuntunse in the Greater Accra region of Ghana) and VSAT systems. NCA, (2010)

These mobile companies were to provide domestic public telephone services within the country Ghana such as fixed line networks and the use of radio technology by traditionally utilizing Cellular Mobile Technology and frequencies to improve communication services within the country.

As at June, 2004, Ghana had licensed five (5) mobile network operators. These were Areeba, Ghana Telecom, Kasapa, Buzz and Westel. They were to provide the emerging telecom needs of the market. The NCA was set up in 1997 in consonance with the NCA Act 524 in 1996. This was to seek the interest of the general public and consumers. The government and Ministry of Communications Acts, licensed telecommunication Operators to have a free and fair competitive market place to enhance their operation. The NCA was supposed to exercise regulatory authority over access to the pricing of the South Atlantic 3
(SAT-3) transmission links provided by Ghana Telecom to other (providers) operators in the interest of promoting fair competition and cost-effective development of the telecommunications sector. NCA, (2010)

The NCA is also supposed to mediate in disputes, conflict resolution and arbitration as well as manage the spectrum for efficient management of the electromagnetic spectrum in Ghana. Facility Sharing are key element to ensure fair competition among the players and minimize cost and public inconveniences in their quest to protect the environment at large. The NCA is supposed to protect the consumer by ensuring good customer service and network and be responsible for regulating tariffs of services provided by the dominant or monopoly operator. NCA, (2010)

The NCA has the mandate to move the industry forward through policy, promoting broader opening of the telecommunications market segments to private, competitive market forces. They are to ensure that none of the players enjoy undue competitive advantage, but the policy should be based on open market and fair competition, and also to regulate the operators in the industry when competition becomes very intense. NCA, (2010)

Source: NCA, 2011

3.3 MARKET STRUCTURE

The Ghanaian mobile telecommunications industry currently is an Oligopoly market. Where, very similar products, few sellers, and a fairly inelastic demand are present at the marketplace. There are many barriers to establishing a business within this industry. Since only the oldest and the biggest firms keep operating just as the case of Ghana.
The performance of the incumbent network operator (GT) was the key driver for the telecom reforms. As government tried to liberalize the market to competition and improve services to the people of Ghana. This was made to increase growth economically through the reduction of bureaucratic processes and bottle necks in the industry. The then monopolist enjoyed protection from government whiles customers were treated badly at their customer service units. They had an inactive toll free numbers, poor and consistent interruptions in mobile phone services and frequent call drops as their cell sites were not enough across the country to carry their customer base.

Government, as part of its structural adjustment policy was required to change and improve some core infrastructures of the country. This opened the door to new players onto the telecom market. Companies such as Westel and Capital Telecom came into existence to provide fixed and mobile telecommunication services to the people of Ghana. Furthermore, others were licensed to operate a mobile network to improve the services of the country.

This has seen the market grow to become an oligopoly market. This has one firm as the market leader who determines the pace at which the market should price their products, and the level to which the market should interplay. MTN Ghana who is the market leader today had become a major force to reckon with as they determine the direction of the competition as well as it level of intensity. To them the industry still remains profitable and viable in the mobile telecommunication industry leaving the state to manage the fixed line segments. This has been faced with so many difficulties lately as there has been a shift in taste of the nation at large. Hence, the market still remains competitive and currently closed to new entrants as the nation requires an improvement upon their current infrastructure to enable more players unto the Ghanaian market.
Because of this fierce competition all the operators are using every means possible to survive and continue to make inroads into the market. As they struggle to be the choice of the customer as a service provider, the major consideration should be their reputation as they all provide the same set of services.

In this regard the telecoms industry in Ghana is no exception when it comes to corporate reputation and its management. There are departments in the corporate affairs divisions in most of these companies that is responsible for that have a responsibility to manage the reputation.

A budget is set aside every year to deal with reputation management by companies. This budget has been increasing year-on-year. For the past two years reputation management budget has gone up by 30% in MTN Ghana from about 2 million USD in 2010 to 2.3 million USD in 2011. (MTN Ghana). This is as a result of the fact the customer base for MTN has gone up and market share has also gone up.
CHAPTER FOUR

RESEARCH DESIGN AND METHODOLOGY

4.0 INTRODUCTION

This section describes the methodological framework applied to solve the research problem and to answer the research questions. The section consists of the formation of research design and justification of the research method chosen to achieve the above proposed study objectives. An assessment of various methods of research approaches are made in order to provide the justification for the suitability of the chosen method for this study. A concise explanation of the research design, procedure for data collection and analysis as well as the sampling technique employed to carry out the research are looked at. In addition, the limitations of the research method engaged and the potential or anticipated problems of the entire research process will be emphasized in this section.

4.1 RESEARCH DESIGN

Research design provides an overall guidance for the collection and analysis of data of a study (Churchill 1979). Importance of research design stems from its role as a critical link between the theory and argument that informed the research and the empirical data collected (Nachmias and Nachmias, 2008). A choice of research design ‘reflects decisions about the priority being given to a range of dimensions of the research process (Bryman and Bell 2007, p. 40), and this of course will have considerable influence on lower-level methodological procedures such as sampling and statistical packages. It is therefore a blueprint that enables researchers to find answers to the questions being studied for any research project. Along with clear research plan it provides, constraints and ethical issues that a study will inevitably encounter must also be taken into account (Saunders et al. 2007). The research design is a framework for conducting marketing research (Malhotra, 1996). Consequently, it's a basic plan that guides the data collection and analysis phase of
the research. It specifies information and the type of information to be collected, the sources of data, and the data collecting procedure. A good research design will ensure that the information collected will be consistent with the purpose of the study and that the procedures regarding data collection is accurate and efficient. (Kinnear & Taylor, 1996)

The research design employed in this study is the Survey Research Design.

According to Wikipedia.org (2014), “survey research design is the design that involves use of questionnaires and/or statistical surveys to gather data about people, their thoughts and behaviours”. On a broader note, Sapsford (2007) defines survey research as “a collection of quantified data from a population for the purposes of description or to identify co-variation between variables that may point to causal relationships or predictive patterns of influence”. The specific survey research design to be employed is the one time short design or the cross-sectional survey. The reason for selecting the one time short or the cross sectional survey is because, data for this study will be collected at one point in time from a sample selected to represent the larger population. The researcher is doing the one point in time data collection because, of the study duration: six to seven months duration.

4.2 RESEARCH APPROACH

There are two major approaches to conducting research i.e. quantitative and qualitative research. The differences between qualitative and quantitative research have been explained by a number of different authors (e.g. Thomas, 2003; Corbetta, 2003). In this study, the research objectives required that the procedures followed to address the research questions be informed largely by the conceptual framework. In other words, the literature is supposed to inform the kind of theory being generated. Such a deductive approach to the theory building process, on reflection, dovetails with the positivists’ ontology, in which case a quantitative approach appears to be more appropriate. Consistent with the
conceptual framework (see Figure 3 on page 58), therefore, this study intends to collect numerical data to draw conclusions regarding the impact of corporate reputation on service provider selection in the mobile telecommunications industry in Ghana. Notwithstanding any potential limitations of quantitative logic in estimating behavioural measures, there is reasonable evidence to suggest that it has over the years stood the test of time and might therefore be appropriate for this research as well. Therefore the research approach used for the study is quantitative research defined as an inquiry into an identified problem, based on testing a theory composed of variables, measured with numbers, and analyzed using statistical techniques; the goal is to determine whether the predictive generalizations of a theory hold true. Quantitative research is influenced by the empiricist paradigm, which means that it is concerned with cause and effect of social phenomena and uses the data - which is based on empirical observation and their critical interpretation.

4.3 RESEARCH PURPOSE

This research is entirely an academic research, which has been described as the development of theory without any attempt being made to link to practice. It is highly academic and not at all practical. Its principal aim is the advancement of the knowledge rather than to solve a practical problem. (Sharp et al 2003)

The purpose of research can be a complicated issue and varies across different scientific fields and disciplines. Robson, (2002) argues that there are three main purposes of conducting research including: explorative, descriptive and explanative. Explorative research simply allows the marketer to gain a greater understanding of something that s/he doesn’t know enough about. It is described as the seeking of new insights, and asking of questions or the bringing of some phenomenon into new light. This is research intended to develop initial ideas or insights and provide direction for any further research. Descriptive research is generally described as the depicting of accurate profile of people, events or
situations. This research is the most commonly used and the basic reason for carrying out descriptive research is to identify the cause of something that is happening. Descriptive research according Wilson, (2003) is the research that describes what is happening without potentially explaining why it is happening. Finally, explanatory research attempts to go above and beyond what exploratory and descriptive research do, to identify the actual reasons why a phenomenon occurs. Explanative research aims at gaining an explanation of a specific situation or problem, generally in the form of causal relationships.

The research is entirely descriptive in nature which involves gathering data that describe events and then organizes, tabulates, depicts, and describes the data collection (Glass & Hopkins, 1984). Descriptive research is unique in the number of variables employed. Example descriptive research can include multiple variables for analysis, yet unlike other methods, it requires only one variable (Borg & Gall, 1989). For example, a descriptive study might employ methods of analyzing correlations between multiple variables by using tests such as Pearson's Product Moment correlation, regression, or multiple regression analysis.

This research has been descriptive in nature as it attempts to describe the role that corporate reputation play in customers’ choice of a service provider. The research tries to find out how whether customers consider the reputation of a company as they select their service providers. An attempt has been made for further studies that argue that corporate reputation can be seen as a strategic component of every organization.

Previous research on corporate reputation measurements and its role as a competitive tool has been reviewed in order to provide a theoretical framework for the study.
4.4 POPULATION, SAMPLING AND SAMPLING TECHNIQUE

Since the research was limited to the telecommunication industry, the population for this research from which the sample was drawn was the total number of mobile phone subscribers. According to the National Communication Authority (NCA), an institution that oversees the operations of telecom companies in Ghana, the total mobile phone subscribers in the country is reported to be 10,242,916.

Sampling is “the selection of a fraction of the total number of unites of interest to decision makers for the ultimate purpose of being able to draw general conclusions about the entire body of units (Parasuraman et al. 2004, p. 356). A conclusion can be made from the sample about the population to achieve the research objective” (Saunders et al. 2007). It is, therefore, uncommon for a research to survey the entire population due to time and financial constraints, especially, when the population is very large. When conducting research one cannot study everybody everywhere doing everything (Miles & Heberman, 2002). Denscombe (2007) stated that, it is not possible for researchers to collect data from all those categories being investigated; however, a research attempts to get evidence from a section of the category through sampling techniques.

The sampling method for this research will be purposive. This is a non-probability sampling technique, which will allow for the use judgmental sampling to select participants that best help answer the research questions and meet the research objectives. In this method, the researcher decides what needs to be known and sets out to find people who can and are willing to provide the information by virtue of knowledge or experience (Bernard 2002, Lewis & Sheppard 2006). This type of sampling is usually used when working with very small samples and a researcher wishes to select cases that are particularly informative (Saunders et al, 2007). The sample size for the study is 400 customers using mobile telephone services in Ghana. These respondents are drawn from
customers whose educational level was higher than senior secondary for two reasons: (a) the nature of topic for discussion and (b) the suppose age of the respondents must be 18 and above because NCA directives on Mobile Phone registration. It is realized that respondents need to have some understanding of the topic before they can effectively respond to the questionnaire. The total number of individuals who qualify as respondents for the study (i.e. mobile subscribers whose educational level is higher than senior secondary) that were selected to be included in the study were drawn out of convenience, thus selecting cases that were easiest to obtain in the event of cost and time constraint. The regional distribution of respondents selected is presented in the table 4.0. This was carefully selected based on the number of mobile phone subscribers per region as captured in the NCA report for 2012.

Table 4.0 Sample Size

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of questionnaires Received</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Accra</td>
<td>92</td>
<td>23.0</td>
</tr>
<tr>
<td>Ashanti</td>
<td>62</td>
<td>15.5</td>
</tr>
<tr>
<td>Brong Ahafo</td>
<td>28</td>
<td>7.0</td>
</tr>
<tr>
<td>Eastern</td>
<td>34</td>
<td>8.5</td>
</tr>
<tr>
<td>Western</td>
<td>48</td>
<td>12.0</td>
</tr>
<tr>
<td>Central</td>
<td>30</td>
<td>7.5</td>
</tr>
<tr>
<td>Volta</td>
<td>40</td>
<td>10.0</td>
</tr>
<tr>
<td>Northern</td>
<td>35</td>
<td>8.75</td>
</tr>
<tr>
<td>Upper East</td>
<td>16</td>
<td>4.0</td>
</tr>
<tr>
<td>Upper West</td>
<td>15</td>
<td>3.75</td>
</tr>
<tr>
<td>Total</td>
<td>400(Sample Size)</td>
<td>100</td>
</tr>
</tbody>
</table>

It must be noted that the total number of questionnaires distributed regionally do not reflect the proportional differences in population.
4.5 DATA COLLECTION PROCESS

The process of data collection began with the variable construction. As soon as the measures were developed, they were pre-tested in a pilot study involving a few mobile subscribers. The pre-testing of the questionnaire was intended to help shape the instrument before final administration to the sample of 420 mobile subscribers (see e.g., Yin, 2003). In this section, each stage of the data collection process is described in detail separately.

4.5.1 Variable Construction

A well-designed questionnaire was used as the instrument for primary data collection. In designing the questionnaire, a number of procedures were applied. First, the researcher conducted a search for all published work in the existing management literature using customer satisfaction as the key word. This search generated a vast array of studies, which were reviewed, focusing on instrument development. On the basis of this review, the researcher identified valid and reliable measures for some of the research constructs that are the focus of this investigation. Second, new questions were developed after a thorough brainstorming session with a number of people, enabling the researcher to acquire various points of view. In particular, with the help of an expert, the questionnaire for this research was designed and his ideas or concepts incorporated. The questionnaire includes two types of questions, variable questions and ranking questions. The use of Likert scale rather than a simple yes/no type of question in the questionnaire helped to have a better perspective of the impact of corporate reputation on service provider selection.

The question type that was used is the closed-ended question, with no open ended questions. The researcher avoided using open questions because they have been found to often lack reliability and validity, yield irrelevant responses, often fail to produce responses that indicate the intensity of an attitude, and it is much easier for researchers to make coding or interpretation errors with open responses (Neuman, 2007).
Finally, for the purpose of establishing credibility for the type of research being conducted, demographic variables were also collected, including for example, gender, age, occupation, educational level and marital status.

4.5.2 Pilot Study

In order to minimize response bias and to reinforce the questionnaire’s content validity, most of the items were reverse-coded and then pre-tested on 20 mobile subscribers. These respondents were asked to complete the questionnaire and indicate any ambiguity or difficulty that they experienced in responding to the questions. Based on their recommendations, some slight modifications were made on the final questionnaire.

4.5.3 Main Study

In the main study, questionnaires were administered to the systematic random sample of 400 mobile subscribers. Following the sampling technique explained above, the questionnaires were administered to all the 420 customers who agreed to take part in the study. 400 of these respondents filled their questionnaires completely, allowing the researcher to obtain an effective response rate of 95.2 percent.

4.6 DATA ANALYSIS TECHNIQUES

Returned questionnaires were checked initially to find out whether they had complete answering. The analysis was done using the Statistical Package for the Social Science (SPSS). This study utilized correlation analysis, and regression analysis with the use of ANOVA TESTS to analyze the research data. These techniques were complemented with a descriptive statistics involving the computation of frequencies, percentages, means and standard deviations often presented graphically. Brief explanations of the main data analysis techniques used would suffice.
4.6.1 Correlation Analysis

Correlation analysis is used to measure linear association between two variables (Hair et al., 1995). In a situation where the correlation between two variables is positive and close to 1, it is assumed that the variables have a strong positive linear correlation. If the correlation between two variables is positive but close to zero, then the variables have a weak positive linear correlation. On the other hand, if the correlation between two variables is negative and close to –1, then the variables are assumed to have a strong negative correlation. Again, if the correlation between variables is negative but close to zero, that means a weak negative correlation exists between the variables.

4.6.2 Regression Analysis

Regression analysis is a statistical technique that is used to analyze the relationship between a dependent variable and one or more independent variable (Hair et al., 1995). A multiple regression analysis provides an equation to predict the magnitude of the dependent variable, providing values for the independent variables that explain the largest proportion of variation in the dependent variable. The Pearson coefficient of determination, or simply “R-squared” in terms of computer output, is usually used to gauge this explained variation. An “Rsquared” of ‘0’ indicates that there is no relationship between the independent variables and the dependent variable. This “R-squared” tells the researcher about the perfectness of the multiple regression models and also how well the independent variables included in the model explain the dependent variable. The significance of “R-squared” can be tested through the ‘F’ statistics and its associated probability. The ‘F’ statistics is a test of the null hypothesis that there is no linear relationship between the dependent and independent variables that is ‘R’ squared equals to 0.0 (Hair et al., 1995). The null hypothesis can be rejected if the ‘F’ statistics is high and the level of significance is close to zero. This rejection of the null hypothesis suggests the
acceptance of an alternative hypothesis that there is a linear relationship between the dependent and independent variables. The general equation of the linear multiple regression analysis is of the following form: Equation 3-1

\[ Y' = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \ldots + \beta_n X_n \]

Where: \( Y' \) is the predicted value of the dependent variable; \( \alpha \) is the value of the dependent variable when all the independent variables are zero, that is the \( Y \) intercept; \( \beta \) represents the regression coefficient; and the \( Xs \) are the independent variables. The intercept and the regression coefficients are constants during the examination of a particular sample, but different values for the dependent variable are predicted for each case by substituting the corresponding values for independent variables (Hair et al., 1995).

4.7 SUMMARY

This research has been of descriptive nature and it describes the role that corporate reputation plays in service provider selection and also what elements of corporate reputation of the organizations that customers consider when choosing a service provider as well the challenges and benefits of corporate reputation management. An inductive approach was applied to this research. Analyzing previous research on the thesis topic provided a better understanding of service provider selection criteria and its use in organizations as they manage their reputation and the strategies used by firms; this has resulted in a better empirical research.
CHAPTER FIVE

ANALYSIS AND PRESENTATION OF FINDINGS

5.0 INTRODUCTION

This section deals with the analysis of the primary data in relation to the secondary data collected from management reports, journals, magazines, text books and also the presentation of key findings. The findings are presented according to the parts of the questionnaires administered. The survey was conducted among users of mobile phones who were 18 years and above and has at least secondary education according to the sampling design across all the ten regional capitals of Ghana between the months of April 1st to May 5th 2013. In all, 400 questionnaires out of the 420 were analyzed and responses are presented in an easy-to-understand tables, graphs, histograms, bar and pie charts that will greatly improve the readability of this thesis. Attempts will also be made to answer all the research questions posed in the chapter one. A linear regression to test the significance of the model and the elements has also been done.

5.1 BACKGROUND OF RESPONDENTS

Regarding the fact that 50.3% of respondents represents females and the remaining 49.7% show the males respondents confirm the 2010 census results having more females than males. Majority (31%) of the total sample falls within age 25 to 31 years as indicated in figure 2, followed by 28% within 32-38 years, then 24% with 39-45 years and the rest 12% between 18-24 years.

According to our analysis of ANOVA test, the proportion of male and female respondents did not have any effect on the results of the study. The results were independent from the gender variable.
With regard to ANOVA test on age with the amount of money spent every month on airtime, it was detected that age had a significant role to play in determining the amount spent on mobile phone usage a month. Generally, age brackets 32-38 years spend more than ages below and counting.

Table 5.1: Age Distribution of respondents

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24 years old</td>
<td>66</td>
<td>16.5</td>
<td>16.5</td>
<td>16.5</td>
</tr>
<tr>
<td>25-31 years</td>
<td>125</td>
<td>31.3</td>
<td>31.3</td>
<td>47.8</td>
</tr>
<tr>
<td>32-38 years old</td>
<td>112</td>
<td>28.0</td>
<td>28.0</td>
<td>75.8</td>
</tr>
<tr>
<td>39-45 years old</td>
<td>97</td>
<td>24.3</td>
<td>24.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>400</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Fieldwork Ghana May 2013

As clearly shown in table 5.1 above, the respondents are divided into four age groups beginning from 18 year to 45 years. The same age groups were used by many researchers in previous corporate reputation and customer satisfaction studies. In this study, I can say that most of the respondents are between ages 25-31 years, this group covers 31.3% of our respondents to the questionnaire. The next group with valid percent of 28 is respondents
aging between 32 and 38 years. These frequencies indicates that the respondents are mostly between age 25 to 45 years which indicates that they are in the working class and have high economic value.

Table 5.2: Cross tabulation of Gender and Age

<table>
<thead>
<tr>
<th>Gender</th>
<th>Q2.Age</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>18-24 years</td>
<td>25-31 years</td>
</tr>
<tr>
<td>Male</td>
<td>30</td>
<td>67</td>
</tr>
<tr>
<td>Female</td>
<td>36</td>
<td>58</td>
</tr>
<tr>
<td>Total</td>
<td>66</td>
<td>125</td>
</tr>
</tbody>
</table>

Source: Fieldwork Ghana May 2013

Table 5.2 shows the cross tabulation of gender and age grouping. Results reveals that majority of the males forming 16.8% of the total sample size were within the age bracket 25-31 years followed by 16.5% who were females were within 32-38 years. More females responded which indicate female patronage for mobile phone.

The marital status of respondents shows that 70% of the total respondents were single. 23 percent were married and 7% married and divorced. The study recorded 65 occupations of respondents ranging from unemployment to welding, through to teaching and the rest. The highest recorded occupation shows business trading with 14.5% followed by studying with eleven percent, teaching followed with about 10%, the rest were banking with five percent and civil servants at 4.6%. The least recorded occupations included; accounting, store keeping, security, painting and procurement. Commonly the results revealed that 87% of the respondents had tertiary education ranging from polytechnic, professional institutions and to universities. This show high educational level of respondents which indeed suits the nature of study to ascertain responses that reflect the situation.
The Greater Accra region recorded the highest administration of the questionnaire which forms about 23.0% of the total questionnaires administered, this reason might be due to the researcher personally residing in this region and administering them all by himself. The Ashanti region followed next recording 15% of the total questionnaires, the western region 12 percent, and then the Volta region with about 10.0%. Northern and Eastern regions recorded 9.0% and 8.0% respectively. The Central region which had a frequency of 30 among the sample size of 400 recorded 8.0% of the total interviews then, the Brong-Ahafo region seven percent. Upper East recorded 4.0% and the least among all the regions was the Upper west with 4.0%.
Figure 5.4: Which Mobile Phone do you use?

MTN commands the highest patronage of phone usage among respondents with 48%, followed by Tigo with 18 percent, then Vodafone with 16%. Airtel had 12% and the least was Globacom with 6% as shown in Fig 5.4 above. Surprisingly one network which operates in Ghana but was conspicuously missing across all regional capital was Expresso., this indicates that the brand has not been up and doing and it is not recognised by customers.

Table 5.3: Cross tabulation of regional mobile phone usage

<table>
<thead>
<tr>
<th>Region</th>
<th>Q7 Which mobile phone network do you use?</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MTN</td>
<td>Tigo</td>
</tr>
<tr>
<td>Greater Accra</td>
<td>40</td>
<td>26</td>
</tr>
<tr>
<td>Ashanti</td>
<td>24</td>
<td>12</td>
</tr>
<tr>
<td>BA</td>
<td>15</td>
<td>8</td>
</tr>
<tr>
<td>Western</td>
<td>21</td>
<td>2</td>
</tr>
<tr>
<td>Northern</td>
<td>17</td>
<td>5</td>
</tr>
<tr>
<td>Eastern</td>
<td>17</td>
<td>7</td>
</tr>
<tr>
<td>Central Region</td>
<td>12</td>
<td>5</td>
</tr>
<tr>
<td>Volta</td>
<td>26</td>
<td>3</td>
</tr>
<tr>
<td>Upper West</td>
<td>10</td>
<td>0</td>
</tr>
<tr>
<td>Upper East</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>191</td>
<td>72</td>
</tr>
</tbody>
</table>

Source: Fieldwork Ghana May 2013
Greater Accra recorded the highest phone usage with majority of them forming about one-tenth of the respondents using MTN, followed by Tigo, then Vodafone, Airtel and Glo in that general order. The western region defiled that order by having majority of users being for MTN followed by Airtel, then Glo, Vodafone and Tigo. The Volta, Upper East and West regions recorded no usage for Glo. The upper west also recorded no patronage for Tigo.

About 65% of respondents have been using their mobile phone more than 4 years now. 32% have been using more than two years but less than four years and the remaining 4% less than a year now. In all cross tabulation of phone usage and the number of years have the general distribution trend existing.

Again respondents were asked how many phones they use and the general trend which reflects the national behavior revealed that 74 percent of mobile phone users use more than two phones. A further breakdown shows that about 48% uses two phones, 26% uses one phone number, 20 percent use three phones and the remaining 7% uses four phone numbers. A cross analysis of results shows that majority of respondents who uses MTN uses Airtel as well, followed by Tigo users also using Vodafone. Among all the respondents who uses three phone numbers and above have MTN as their primary number followed by Tigo and then Vodafone. Generally almost all the respondents (98%) who use more than one phone had different phone numbers which the exception of just five people among the lot using the same network.

86% of the phone used by respondents was prepaid as against 14% using postpaid. By and large about 75% spend above 5.00GHS to below 50GHS a month on phone related services which includes; calls, SMS, multimedia messaging and internet. Just a little above 14%
spend above 50GHS and below 100.00GHS a month and the remaining 11 percent spend between 2.00GHS to 50.00GHS.

5.2 DESCRIPTIVE ANALYSIS OF FREQUENCIES

In order to gather meaningful indices of customer satisfaction in mobile telecommunications, respondents were asked to indicate their satisfaction with service factors pertaining to service and product quality, value for money, product benefits, brand image/reputation, flexibility in product usage, price fairness, network coverage, customer service, brand innovativeness.

**Table 5.4: Satisfaction with Service Provider**

<table>
<thead>
<tr>
<th>Descriptive Statistics</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service &amp; Product Quality</td>
<td>3.60</td>
<td>.953</td>
</tr>
<tr>
<td>Value for Money</td>
<td>3.53</td>
<td>.965</td>
</tr>
<tr>
<td>Product Benefit</td>
<td>3.61</td>
<td>1.006</td>
</tr>
<tr>
<td>Brand Image/Reputation</td>
<td>4.03</td>
<td>.778</td>
</tr>
<tr>
<td>Flexibility in Product Usage</td>
<td>4.12</td>
<td>.984</td>
</tr>
<tr>
<td>Price fairness</td>
<td>4.01</td>
<td>.938</td>
</tr>
<tr>
<td>Network Coverage</td>
<td>3.41</td>
<td>1.149</td>
</tr>
<tr>
<td>Customer Service</td>
<td>3.61</td>
<td>1.196</td>
</tr>
<tr>
<td>Brand Innovation</td>
<td>3.71</td>
<td>.874</td>
</tr>
</tbody>
</table>

From Table 5.4, the mean for the customer satisfaction scale items range from 2.25 to 4.12, and the standard deviations range from 0.938 to 1.196. On the five point Likert scale, 3 is the scale midpoint, with values below it approximating dissatisfaction and values above it approximating satisfaction. Therefore, on the basis of the Likert scale customer satisfaction with various service factors of network appears to be high.
Research Question 1

*Is there any relationship between services and reputation in the telecommunications industry?*

Results gathered from the field indicate that generally most ratings in the 9 factor begin from the mean of 3.53 and ends to maximum of 4.12 on a five point scale for satisfaction. These numbers demonstrates the telecommunication customers are averagely satisfied with services and attributes of providers.

<table>
<thead>
<tr>
<th>Table 5.5: Paired Samples Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Pair 1</strong></td>
</tr>
<tr>
<td>Q13a. Satisfaction of Quality of Products and Services?</td>
</tr>
<tr>
<td>Q14a Importance of Quality of products and services?</td>
</tr>
<tr>
<td><strong>Pair 2</strong></td>
</tr>
<tr>
<td>Q13b. Satisfaction on Value for Money?</td>
</tr>
<tr>
<td>Q14b Importance of Value for money?</td>
</tr>
<tr>
<td><strong>Pair 3</strong></td>
</tr>
<tr>
<td>Q13c. Products benefits are good</td>
</tr>
<tr>
<td>Q14c Importance of Product benefits?</td>
</tr>
<tr>
<td><strong>Pair 4</strong></td>
</tr>
<tr>
<td>Q13d. Reputation of the Company</td>
</tr>
<tr>
<td>Q14d Importance of the Reputation of the Service Provider?</td>
</tr>
<tr>
<td><strong>Pair 5</strong></td>
</tr>
<tr>
<td>Q13e. Products are easy to use</td>
</tr>
<tr>
<td>Q14e Importance of ease of product use?</td>
</tr>
<tr>
<td><strong>Pair 6</strong></td>
</tr>
<tr>
<td>Q13f. Price of subscription</td>
</tr>
<tr>
<td>Q14f Importance of Price of Subscription?</td>
</tr>
<tr>
<td><strong>Pair 7</strong></td>
</tr>
<tr>
<td>Q13g Network Coverage</td>
</tr>
<tr>
<td>Q14g Importance of Network Coverage?</td>
</tr>
<tr>
<td><strong>Pair 8</strong></td>
</tr>
<tr>
<td>Q13h. Customer Service</td>
</tr>
<tr>
<td>Q14h Importance of Customer Service?</td>
</tr>
<tr>
<td><strong>Pair 9</strong></td>
</tr>
<tr>
<td>Q13i. Innovativeness of the company</td>
</tr>
<tr>
<td>Q14i Importance of the Mobile Company being Innovative?</td>
</tr>
</tbody>
</table>

**Source: Fieldwork Ghana May 2013**

A paired sample test on the total amount of satisfaction and importance shown in the table above confirms the gap between services and reputation. The table explains that the mean
statistics for key factors for both services and reputation survey shows that value for money and ease of product use were the only two factors of importance that could not match customer satisfaction, aside that the other seven factors in terms of their importance exceeded satisfaction which indicates that providers fall short here.

Table 5.6: Paired Correlations

<table>
<thead>
<tr>
<th>Pair</th>
<th>Q &amp; Q14</th>
<th>N</th>
<th>Correlation</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Q13a &amp; Q14a</td>
<td>400</td>
<td>.204</td>
<td>.000</td>
</tr>
<tr>
<td>2</td>
<td>Q13b &amp; Q14b</td>
<td>400</td>
<td>.138</td>
<td>.006</td>
</tr>
<tr>
<td>3</td>
<td>Q13c &amp; Q14c</td>
<td>400</td>
<td>.371</td>
<td>.000</td>
</tr>
<tr>
<td>4</td>
<td>Q13d &amp; Q14d</td>
<td>400</td>
<td>.462</td>
<td>.000</td>
</tr>
<tr>
<td>5</td>
<td>Q13e &amp; Q14e</td>
<td>400</td>
<td>.303</td>
<td>.000</td>
</tr>
<tr>
<td>6</td>
<td>Q13f &amp; Q14f</td>
<td>400</td>
<td>.447</td>
<td>.000</td>
</tr>
<tr>
<td>7</td>
<td>Q13g &amp; Q14g</td>
<td>400</td>
<td>.427</td>
<td>.000</td>
</tr>
<tr>
<td>8</td>
<td>Q13h &amp; Q14h</td>
<td>400</td>
<td>.437</td>
<td>.000</td>
</tr>
<tr>
<td>9</td>
<td>Q13i &amp; Q14i</td>
<td>400</td>
<td>-.098</td>
<td>.051</td>
</tr>
</tbody>
</table>

Source: Fieldwork Ghana May 2013

In assessing the relationship between the importance customers attaches to factors of key interest and satisfaction it became clearly evident that indeed there is a clear slight negative relationship between what customers’ rate for importance of mobile companies being innovative and their satisfaction of innovation.

Again there is a small positive relationship between importance and satisfaction for value for money, quality of products, products benefits and easy use of products. Results further indicate that there is moderate association between satisfaction and importance for
reputation of company, price subscription, and network coverage as well as customer service. Generally there is small relationship between service importance and satisfaction in the selection of a service provider.

Regression Analysis

The table below shows the results of the ordinary least squares multiple linear regression analysis indicating unstandardized Coefficient (β), standard errors, standardized regression coefficients (beta), and t-statistic. The regression results suggest that only three variables have significant relationship with customer’s service provider selection or purchase decision.

Table 5.7: Coefficientsa

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>1.961</td>
<td>.409</td>
<td>4.792</td>
<td>.000</td>
</tr>
<tr>
<td>Q14a. Quality of Products and Services</td>
<td>.295</td>
<td>.113</td>
<td>.220</td>
<td>2.606</td>
</tr>
<tr>
<td>Q14b. Value for Money</td>
<td>-.129</td>
<td>.106</td>
<td>-.097</td>
<td>-1.216</td>
</tr>
<tr>
<td>Q14c. Product benefits</td>
<td>-.169</td>
<td>.090</td>
<td>-.133</td>
<td>-1.877</td>
</tr>
<tr>
<td>Q14d. Brand Image/Reputation</td>
<td>-.159</td>
<td>.094</td>
<td>-.097</td>
<td>-1.685</td>
</tr>
<tr>
<td>Q14e. Products are easy to use</td>
<td>-.034</td>
<td>.077</td>
<td>-.026</td>
<td>-.439</td>
</tr>
<tr>
<td>Q14f. Price fairness</td>
<td>.370</td>
<td>.087</td>
<td>.272</td>
<td>4.257</td>
</tr>
<tr>
<td>Q14g. Network Coverage</td>
<td>-.173</td>
<td>.068</td>
<td>-.156</td>
<td>-2.531</td>
</tr>
<tr>
<td>Q14h. Customer Service</td>
<td>.008</td>
<td>.064</td>
<td>.008</td>
<td>.125</td>
</tr>
<tr>
<td>Q14i. Brand Innovation</td>
<td>-.024</td>
<td>.080</td>
<td>.005</td>
<td>.342</td>
</tr>
</tbody>
</table>

Notes: a. Dependent Variable: Service Provider Selection

Source: Fieldwork Ghana May 2013
In particular, satisfaction with product and service quality (beta = 0.220, p < 0.05) and price of subscription/fairness (beta = 0.272, p < 0.05) are positively and significantly related to customer selection and purchase decision. On the other hand, network coverage (beta = -0.156, p < 0.05) is negatively and significantly related to service provider selection decision.

The regression analysis, presented in Table 5.7, it has become apparent in the study three factors is important to customers which are network coverage, quality services and more product benefits.

This indicates that a one unit decrease in service quality as perceived by customers can result in a corresponding decrease in customers’ selection of a brand/service provider by 0.220 units. That is, the level of customer purchase or selection of a service provider is decreased significantly following any negative perception regarding the quality of the services and products that are being delivered. Likewise, with a one unit increase in agreement from mobile subscribers that price is unfair, they also agreed that their level of willingness to select service provider 0.272 units.

Analysis of the standardized regression coefficients (beta) suggests that while service quality (beta = 0.220) and price fairness (beta = 0.272) are both strongly linked to service provider subscription decision the impact of perception of price fairness is relatively greater.
Table 5.8: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.267</td>
<td>.071</td>
<td>.052</td>
<td>1.242</td>
</tr>
</tbody>
</table>


Source: **Fieldwork Ghana May 2013**

The table 5.8 above reports the model summary, with the calculated value of $R^2=0.071$ confirming that the three main factors namely; product and service quality, price fairness, and network coverage reaching a significant level explain 7.1 percent of the variation in the level of service provider selection of the sample. The value for Adjusted $R^2=0.052$ is the value of the coefficient of multiple determination adjusted for degrees of freedom. It ensured that when adjusted for degrees of freedom, the three variables namely; service quality, price fairness, and network coverage explain 7.1 percent of the variation in the service provider selection of the sample.

The ANOVA results presented in Table 4.5 below report the F Statistic=3.761, Degree of Freedom = 391, and the P value = 0.000. Taken together, these figures provide evidence of model fit, indicating particularly that the regression model fitted the data reasonably well.

Table 5.9: ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>46.443</td>
<td>8</td>
<td>5.805</td>
<td>3.761</td>
<td>.000</td>
</tr>
<tr>
<td>Residual</td>
<td>603.557</td>
<td>391</td>
<td>1.544</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>650.000</td>
<td>399</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Source: **Fieldwork Ghana May 2013**
Research Question 2

*How important is perception about various to customers in service provider selection?*

Clearly the results have shown that among the nine service factors, perceptions about service quality, price fairness, and network coverage are the most important factors that affect customers’ selection of service provider.

Table 5.10: Paired Samples Test

<table>
<thead>
<tr>
<th>Pair</th>
<th>Q13a. Satisfaction of Quality of Products and Services? - Q14a Importance of Quality of products and services?</th>
<th>Paired Differences</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>Std. Deviation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>-.590</td>
<td>1.211</td>
<td>-9.747</td>
<td>399</td>
<td>.000</td>
</tr>
<tr>
<td>Pair 2</td>
<td>Q13b. Satisfaction on Value for Money? - Q14b Importance of Value for money?</td>
<td>.358</td>
<td>1.654</td>
<td>4.322</td>
<td>399</td>
</tr>
<tr>
<td>Pair 3</td>
<td>Q13c. Products benefits are good - Q14c Importance of Product benefits? Q13d.Reputation of the Company - Q14d Importance of the Reputation of the Service Provider?</td>
<td>-.610</td>
<td>1.075</td>
<td>-11.348</td>
<td>399</td>
</tr>
<tr>
<td>Pair 4</td>
<td>Q13e. Products are easy to use - Q14e Importance of ease of product use?</td>
<td>-.313</td>
<td>.904</td>
<td>-6.915</td>
<td>399</td>
</tr>
<tr>
<td>Pair 5</td>
<td>Q13f. Price of subscription - Q14f Importance of Price of Subscription?</td>
<td>.013</td>
<td>1.140</td>
<td>.219</td>
<td>399</td>
</tr>
<tr>
<td>Pair 6</td>
<td>Q13g Network Coverage - Q14g Importance of Network Coverage?</td>
<td>-.168</td>
<td>.965</td>
<td>-3.470</td>
<td>399</td>
</tr>
<tr>
<td>Pair 7</td>
<td>Q13h.Customer Service - Q14h Importance of Customer Service?</td>
<td>-1.038</td>
<td>1.093</td>
<td>-18.989</td>
<td>399</td>
</tr>
<tr>
<td>Pair 8</td>
<td>Q13i. Innovativeness of the company - Q14i Importance of the Mobile Company being Innovative?</td>
<td>-.580</td>
<td>1.228</td>
<td>-9.448</td>
<td>399</td>
</tr>
</tbody>
</table>

*Source: Fieldwork Ghana May 2013*

Table 5.10 measures the gap between satisfaction and importance of each of the reputation factors. As indicated above, the biggest gap is between network coverage, products benefits, customer service and quality of service importance to customers and their satisfaction. What they receive does not match the importance they attach to these factors.
This shows that customers of telecom services across board are mostly not satisfied with network coverage by all the companies, products benefits, also about their customer service offering and the quality of their services. The smallest gap exist where their satisfaction exceeds the importance are the ease use and the value their money of their products. This confirms that even those customers are not enthused about the quality of services but are satisfied with the ease of product usage and thinks it worth the money they pay. Other factors that need attention as it also have the slimmest of gap but customers’ satisfaction is below the importance they attach to are reputation of the companies, the prices of their subscriptions and the innovativeness of service products.

Research Question 3

*What elements of corporate reputation do customers consider when choosing a service provider?*

To address this important managerial and research questions a multiple regression was run between the dependent variable (subscribers choice of mobile network) and the independent variables (the dimensions of corporate reputation namely; corporate responsibility, customer value, consumer impact, emotional appeal, credibility, and brand image
Table 5.11: Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>2 (Constant)</td>
<td>.602</td>
<td>.306</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Responsibility</td>
<td>.209</td>
<td>.052</td>
<td>.195</td>
<td>1.969</td>
</tr>
<tr>
<td>Customer Value</td>
<td>-.014</td>
<td>.035</td>
<td>-.020</td>
<td>4.001</td>
</tr>
<tr>
<td>Innovation</td>
<td>.077</td>
<td>.053</td>
<td>.072</td>
<td>1.441</td>
</tr>
<tr>
<td>Emotional Appeal</td>
<td>-.091</td>
<td>.071</td>
<td>-.064</td>
<td>-1.278</td>
</tr>
<tr>
<td>Credibility</td>
<td>.366</td>
<td>.077</td>
<td>.239</td>
<td>4.788</td>
</tr>
<tr>
<td>Brand Image</td>
<td>.131</td>
<td>.047</td>
<td>.135</td>
<td>2.776</td>
</tr>
</tbody>
</table>

Notes: a. Dependent Variable: Service Provider Selection

Source: Fieldwork Ghana May 2013

Table 5.11 above shows the results of the ordinary least squares multiple linear regression analysis indicating unstandardized Coefficient (β), standard errors, standardized regression coefficients (beta), and t-statistic. The regression results suggest that only three dimensions of corporate reputation have significant relationship with subscribers’ choice of network.

In particular, corporate responsibility (beta = 0.195, \( p < 0.05 \)), credibility (beta = 0.239, \( p < 0.01 \)) and brand image (beta = 0.135, \( p < 0.05 \)) are positively and significantly related to subscribers’ choice of network.

This indicates that a one unit decrease in corporate responsibility, credibility, and brand image of a service provider as perceived by customers can result in a corresponding decrease in subscribers selection of a brand/service provider by 0.195, 0.239, 0.135 units respectively. That is, the level subscription to a service provider is decreased significantly.
following any negative perception regarding the service provider’s corporate responsibility, credibility and brand image.

Analysis of the standardized regression coefficients (beta) suggests that while corporate responsibility (beta = 0.195), service provider’s credibility (beta = 0.239) and brand image (beta = 0.135) are all strongly linked to customers decision to subscribe to a network, the impact of perception of service provider’s credibility is relatively greater.

**Table 5.12: Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>.355</td>
<td>.126</td>
<td>.113</td>
<td>1.202</td>
</tr>
</tbody>
</table>

Notes: a. Predictors: (Constant), Corporate Responsibility, Customer Value, Consumer Impact, Emotional Appeal, Credibility, Brand Image

Source: Fieldwork Ghana May 2013

The table above reports the model summary, with the calculated value of $R^2 = 0.126$ confirming that the three main elements of corporate reputation namely; corporate responsibility, credibility and brand image reaching significant level explain 12.6 percent of the variation in the level of service provider selection of the sample. The value for Adjusted $R^2 = 0.113$ is the value of the coefficient of multiple determination adjusted for degrees of freedom. It ensured that when adjusted for degrees of freedom, the three variables namely; corporate responsibility, credibility, and brand image explain 12.6 percent of the variation in the service provider selection of the sample.

The ANOVA results presented in Table 4.8 below report the F Statistic = 9.435, Degree of Freedom = 393, and the P value = 0.000. Taken together, these figures provide evidence of model fit, indicating particularly that the regression model fitted the data reasonably well.
Thus an assessment of elements that customer considered before choosing their current mobile telecom provider under key reputation factors corporate responsibility, credibility and brand image were the corporate reputational dimensions significant in influencing service provider selection.

**Research Question 4**

*What are the corporate reputation elements that could impact purchase or selection decision in future?*

To answer this research question, respondents were asked to indicate the dimensions of corporate reputation that could impact on their future choice of service provider. The table below gives the means and standard deviations for the corporate reputation scale. On the five point Likert scale, 3 is the scale midpoint, with values below it approximating importance and values above it approximating unimportance.
Table 5.14: Corporate Reputation factors

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Responsibility</td>
<td>2.25</td>
<td>1.194</td>
</tr>
<tr>
<td>Customer value</td>
<td>2.93</td>
<td>1.805</td>
</tr>
<tr>
<td>Innovation</td>
<td>2.59</td>
<td>1.200</td>
</tr>
<tr>
<td>Credibility</td>
<td>1.90</td>
<td>.831</td>
</tr>
<tr>
<td>Brand Image</td>
<td>2.64</td>
<td>1.311</td>
</tr>
<tr>
<td>Emotional appeal</td>
<td>1.87</td>
<td>.898</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Fieldwork Ghana May 2013

In the table above it was discovered that emotional appeals and credibility of service providers strongly informed their choice. Reasons that respondents recalled most for emotional appeal included their admiration for the company, their trust and lastly they having good feeling about the company. In majority had high emotional feeling towards MTN, then Tigo, Vodafone, Airtel and Glo in that order. The credibility had to do with customers believe in the company and hence their association. Airtel had most respondents rating them as honest and straightforward in it communication.

On the basis of the Likert scale the importance of the various dimensions of corporate reputation in influencing service provider selection appears profound. Nonetheless, emotional appeal and credibility were the strongest determiner of service provider selection.
5.3 DISCUSSIONS

The findings are very important as it seeks to answer the research questions of the role that corporate reputation plays in service provider selection in the telecommunications industry. It indicated that corporate reputation plays an important role in the selection process of service providers by customers and that there are elements that customers see as very important in the selection using corporate reputation which are more important than some elements. Finally, the findings are explicit on the elements that constitute the corporate reputation to the customer including products and services, innovation (customer value and customer impact) brand image, and CSR.

5.3.1 Dimensions of corporate reputation

**Brand image:** Findings showed that the firms can use their brand image as a very important tool that is used to manage its reputation which comes out as a surprise finding. There was the general acceptance that image of a company is part of the reputation management process. Interestingly, is that if corporate reputation is seen as the perception that the stakeholders have about a firm, corporate image is seen as the picture that customers have about the firm, as argued by Wartick (2002). This was not captured in the literature as one of the dimension but the findings indicate that it can be a characteristic or a dimension of corporate reputation.

**CSR:** The findings also showed that the business environment that an organization finds itself can determine the type of activities that can be used to enhance its reputation and that it was the Ghanaian environment that showed that CSR is very important in managing corporate reputation. A comparison was made between this environment and Western environment where in the West the people are much particular about standards in the Ghanaian environment it is what you do the society that matter and can give a positive reputation. CSR came in as one of the dimensions mentioned by several authors e.g.
(Fombrun, 1996; Susan and John, 2003; Schwaiger, 2004; Harrison, 2009). Largely CSR is one of the elements that was significant in the findings and that can be seen in the regression analysis which shows customers find corporate social responsibility and corporate social initiatives as one thing that can be used as a competitive advantage. It showed clearly that customers choose their service providers based on sometimes their responsibility to the society in which they operate.

**Credibility:** One of the dimensions mentioned in the literature was credibility (Fombrun, 1996). Findings indicate that corporations can use credibility as one way by which they manage their reputation. Credibility influences reputation only through the final outcome: promised quality must be delivered to build a positive reputation (Fitzgerald, 1988) and this has been corroborated by the findings. Respondents generally were of the view that a credible company is the one that they will choose as their service provider. This is in sharp contrast with Herbig, & Milewicz, (1995) arguments that a firm can have a horrible reputation but be totally credible (as long as it is consistently bad!). Reputation building is related to the consistency of the outcomes which has to do with credibility.

**5.3.2 Benefits of Reputation management**

Organizations stand to benefit for positive reputation since it is a consideration for customers in selecting a service provider. The benefits of corporate reputation are worth considering and cannot be over emphasized. Findings indicate corporate reputation elements if considered seriously firms will benefit from the fact that their customer base will increase and can be used to retain customers. Argenti (1997), cited in Dolphin (2004, pp 83) believes that an organization’s ability to develop and manage its reputation will determine its survival. This therefore means that any organization that manages its reputation well can survive because they have the opportunity to keep their customers.
Form the findings there was every indication that customers are to a large extent consider the reputation of the company before selecting a service provider.
CHAPTER SIX
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

6.0 INTRODUCTION
In this section of the thesis, the summary of the findings conclusions as well as implication for managers and for marketing is presented followed by some recommendations for future research.

6.1 SUMMARY OF FINDINGS
The empirical results indicate that on the basis of the Likert scale customer satisfaction with Service providers appears to be a bit high. In particular, when asked to indicate their overall satisfaction with the various elements of the study’s conceptual framework, taken on the basis of the Likert scale, this study found customers’ perceived Flexibility in Product Usage, Brand Image/Reputation, Price fairness, Customer Service, Brand Innovation among others to be moderately high. Network coverage however, is perceived by respondents to be rather unimpressive.

In trying to understand which of these factors contribute to and important in influencing the level of customer satisfaction with service provider and therefore affect service provider selection, a correlation analysis was first performed, which resulted in the confirmation of the study’s conceptual framework that customer satisfaction in the mobile telecommunications industry is positively and significantly associated with network provider’s product and service quality, value for money, product benefits, brand image/reputation, flexibility in product use, price fairness, network coverage, customer service, and brand innovation of service provider. However, following the recommendations of Hair et al. (1995), ordinary least squares regression was performed to establish the true nature of these relationships.
According to the results, significant positive relationships exist only between service provider selection and product and service quality, and between service provider selection and price fairness.

While the conjectured positive relationships between customer satisfaction and for that matter service provider selection and customer service, and between service provider selection and brand innovation have also been supported, these relationships were not significant at the 0.05 level of significance. Again, the present research found significant negative relationship between service provider selection and network coverage which is quite surprising in view of the plethora of studies highlighting a positive relationship between network coverage and customer satisfaction.

### 6.2 CONCLUSIONS

The elements of corporate reputation that customers consider when choosing a service provider

The purpose of this research was to gain a better understanding of how the corporate reputation or the perceptions of customers affect their choice of service providers. The findings show that corporate reputation was very instrumental in the choice of service providers in the telecommunication industry. The findings of this research indicate that corporate reputation can be used as a competitive advantage as organizations can use it to increase their revenue and customer base. The findings further stated that it was not only the organization that benefits from reputation management but also employees and the general public at large. Also the findings indicated that customer values, corporate image, CSR, and relationship with stakeholders were the key elements that organizations can use to manage corporate reputation. Finally the findings of this research clearly stated that
there are challenges to reputation management and firms adopt different methods of handling crises either proactively or reactively.

**Relationship between services and reputation in the telecommunications industry**

There has been no previous research in Ghana on the issues of corporate reputation and its relationship with service provider selection. In this research however, there is ample evidence that there is a relationship between customer selection of service provider and corporate reputation, as respondents who were consumers agreed that they consider the reputation of companies before choosing them as their service providers. This was evident from the fact that considering the elements of measuring corporate reputation such as products and services (UK RepTrak™, 2012; Iwu-Egwuonwu, 2010; Shapiro, 1983) the findings suggest that customers consider firms with quality goods and services as firms with high reputation. The findings also indicate that there is a correlation between products and services and reputation. This is evident in the fact that customers feel that when a company provides quality products and services it goes to enhance its reputation. The conclusion therefore is that the higher the quality of the products and services of a provider the better the perception of customers leading to a positive reputation that can be used as a competitive advantage, (Barney, 1991; Fombrun 1996). All the other elements such as innovation, brand image, customer value and credibility showed that they are all being considered by customers as evident in the findings. Though some of the elements as explained below showed highly significant others did not but all the same they all played an important role.
6.3 RECOMMENDATIONS

The recommendations for this study are divided into three groups as explained below:

6.3.1 Recommendations for managers

There are several issues that management within the mobile telecommunications industry and other related firms need to take into account when managing corporate reputation.

- The Managers should realize that there is a relationship between customers selection of service provider so they should consider the reputation of the company so much.
- Managers and management should make a concerted effort to understand that reputation of a firm is not built on a day and that reputation should not only be seen internally but rather from both internal and external.
- Managers should consider the perception all stakeholders have of a company’s work to build relationship for the success of the organization.
- The author recommends that the periodic monitoring and analysis of corporate reputation should continue so as to keep the company abreast with happenings in the market.

6.3.2 Recommendations for Marketers/Marketing

- There is the need for firms either small or large to invest more in maintaining their corporate reputation as there is a relationship between the two variables (Corporate Reputation and Service Provider Selection).
- Firms should consider the perception customers have about them because it is important in service provider selection.
- Firms should work hard on credibility and brand image and do a lot to on customer value and CSR.

- Marketers should realize the importance of corporate reputation as a tool for competitive advantage and to make sure that reputation once build should be sustained so that the firm will be perceived positively in the eyes of customers at large. This can be used to generate more sustained revenues and increase customer base.

- Marketers should monitor the reputation of the company very well so that they can foresee crises and proactively manage them before they occur. Proactive management of reputation crises is very important as it can save cost than reactive management or damage control.

- Marketers should endeavor to build very good relationship with all stakeholders especially customers as that can help in building and sustaining the reputation of a firm.

6.3.3 Recommendations for further research

While working on this thesis, a few areas that would be of benefit for future research were encountered:

- This is a study conducted within the mobile telecommunications industry. Further research connected to this research topic should be extended to other services industries as this is the first of its kind in Ghana. This is to see whether the results are applicable to other industries within the service sector. This will provide further insight into this research and also ensure the development of corporate reputation management in organizations.
• There is the need for much more research to be conducted into multi-stakeholder dimensions of corporate reputation in Ghana.

• Corporate reputation has become a topical issue in the west and for that matter extensive research can still be conducted in this area.

• The model used can also be looked into to establish whether it can be replicated in other service areas.

• If there was time for an extended research the author would have looked at how CSR can be used as a tool in managing corporate reputation.
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(www.prophet.com)

Taken from The 2011 Global RepTrak 100: Results and Report
APPENDIX

University of Ghana Business School

Survey questionnaire

The researcher is a master of philosophy (M. Phil.) marketing student at the University of Ghana Business School (UGBS), Accra. The survey is on the topic Corporate reputation and service provider selection in the Ghanaian Mobile telecommunication industry. This is a partial fulfillment of requirements leading to the award of a master of philosophy degree in marketing. Information provided by respondents for the purpose of this academic research will be treated confidentially. Thank you for accepting to participate in this survey.

Section A

Demographics

1. Gender
   Male  Female
2. Age
   (a) 18-24  (b) 25-31  (c) 32-38  (d) 39-45  (e) above 46
3. Type of occupation .................................................................
4. Region of origin ........................................................................
5. Marital status (a) married (b) single (c) divorced.
6. Educational level
   (a) Primary
   (b) Junior secondary
   (c) Secondary
   (d) Tertiary
Section B

Mobile phone usage and satisfaction

7. Which mobile phone network do you use? ......................................................
   (a) MTN    (b) Tigo    (c) Vodafone    (d) Airtel    (e) Glo    (f) Expesso

8. How long have you been using that? (a) less than a year (b) more than 2 years but
   less than 4 years (c) more than 4 years.

9. How many phone numbers do you use? ......................................................

10. Are all your phones numbers on the same network?

   Yes  [ ]  No  [ ]

   If yes

   Which network?   (a) MTN    (b) Tigo    (c) Vodafone    (d) Airtel    (e) Glo
   (f) Expesso

11. Approximately how much do you spend on your mobile network in a month?
    (a) Less than 2 gh¢
    (b) More than 5 gh¢
    (c) More than 10gh¢
    (d) At least 50gh¢
    (e) More than 100 gh¢

12. Are you (a) prepaid (PAYG) (b) postpaid (Pay Monthly)
13. **How satisfied are you with the mobile phone service provider ...?** Please tick one box across the row for each factor

<table>
<thead>
<tr>
<th>Factor</th>
<th>Very satisfied</th>
<th>Satisfied</th>
<th>Neither satisfied or dissatisfied</th>
<th>Dissatisfied</th>
<th>Very dissatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of products and services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value for money</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product benefits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The reputation of the company</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Products are easy to use</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Price of subscription</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Network coverage</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Innovativeness of the company</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

14. **How important were the following factors when you chose all of the mobile network/s you currently use?** Please tick one box across the row for each factor

<table>
<thead>
<tr>
<th>Factor</th>
<th>Very important</th>
<th>Important</th>
<th>Neither important or unimportant</th>
<th>Unimportant</th>
<th>Very Unimportant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of products and services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value for money</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product benefits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The reputation of the company</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Products are easy to use</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Price of subscription</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Network coverage

Customer service

Innovativeness of the company

Section c

Corporate reputation and service provider selection

Which of the following informed your decision to choose your current mobile telecom provider? Select as appropriate

15. Corporate responsibility
   a) The company is environmentally responsible.
   b) The company helps to make the world a better place.
   c) The company supports good causes.
   d) The company maintains high standards in the way it treats people.
   e) The company cares about the safety of its customers and employees.

16. Customer value
   a) The company provides excellent value to its customers.
   b) The company offers products and services that are good value for money.
   c) The company offers high quality products and services.
   d) The company products and services are very reliable.
   e) The company stands behind its products and services.
   f) The company develops innovative products and services.

17. Innovation
   a) The company sells products and services that are important to our lives.
   b) The company offers unique products and services.
   c) The company really makes a difference to people like me.
   d) The company has really made an impact on its industry.

18. Emotional appeal
   a) I admire and respect the company.
   b) I trust the company.
   c) I have a good feeling about the company.
19. **Credibility**
   a) I usually believe what the company says.
   b) The company is honest and straightforward in its communication.
   c) I would like to be associated with the company.

20. **Brand image**
   a) I admire the brand
   b) It is a well-known brand
   c) I prefer the brand to the rest
   d) It is the best brand
   e) I am satisfied with the brand.