

EFFECT OF INNOVATION ON CUSTOMER SATISFACTION AND CUSTOMER RETENTION IN THE TELECOMMUNICATION INDUSTRY IN GHANA: CUSTOMERS' PERSPECTIVES

Benjamin Diaw & Gideon Asare
Nanjing University of Posts and Telecommunications
CHINA

ABSTRACT

The study examines on the effect of innovation on customer satisfaction in the telecommunication service industry which is highly competitive in Ghana. Product and service innovation is believed to be the key in satisfying and retaining customers. Data were collected using questionnaire to 150 customers of MTN, Vodafone, Tigo-Airtel, Glo, and Expresso. Data analysis tools were employed to assess the relationship between variables (dependent and independent). A significant positive relationship was found between innovation and customer satisfaction and retention. The study also found that marketing innovations introduced in recent years has been a major determinant in customer satisfaction and retention. The study recommends that telecommunication companies should invest in providing innovative services by researching current trends in order to forecast products and services.

Keywords: Innovation; Customer Satisfaction; Customer retention; Ghana Telecommunication Service Industry.