Chapter V

MSQ-Model: An Exploratory Study of the Determinants of Mobile Service Quality

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Abstract

Until recently, mobile services, i.e., services that are offered to consumers on their mobile phones, have been overshadowed by their counterpart, the electronic services offered on the wired Internet, especially in Europe and the U.S. With the exception of simple SMS services, mobile services have not yet been widely adopted but will gain in importance as the technology develops and falling prices put them within the reach of most consumers. As the competition for consumers’ loyalty and share of wallet increases, it becomes crucial to understand, what the consumers value in mobile services. By understanding their service quality expectations and by developing the services accordingly, providers are able to attract users and develop a loyal user base. Based on a review of the literature, interviews with industry experts and users of mobile services, a conceptual model of mobile service quality (MSQ) was constructed. The study revealed that consumers use the wired Internet as a comparison standard when
evaluating mobile services — a standard that mobile services cannot meet. Similarities were also observed between mobile and wired Internet service quality dimensions. Users evaluated mobile services on the ten dimensions: content, access, ease of navigation, ease of dialogue, aesthetics, reliability, personalization, security/privacy, responsiveness and price knowledge. The concluding remarks include a discussion of Wi-Fi and the impact of new technology on mobile services.

Introduction

“The more things change, the more things remain the same. Companies that successfully compete through SSTs in the long term will provide the level of excellent service that customers demand. It’s that simple and that difficult.” (Bitner, 2001, p. 11)

A number of self-service technologies (SSTs) have been introduced to complement or replace the traditional face-to-face encounters between consumers and service providers. In the 80’s consumers adopted ATM’s, in the mid-90’s the wired Internet emerged, and in the 21st century mobile services started to gain ground. Mobile telecommunication has progressed from offering clumsy gadgets for voice communication into developing small high-tech tools that enable data communication. The mobile Internet is believed to revolutionize communication and to bring yet not-thought-of opportunities to network operators, application and service providers, as well as end users.

The mobile Internet is said to be more than the Internet made mobile. It will give the user new personalized, location1- and time-based services2, anytime, anywhere. Asian markets are in the forefront of this development, whereas others are lagging behind. According to Matti Alahuhta, president of Nokia Mobile Phones (http://www.coastline.fi, 2002), the main purpose of the telephone in 2005 will no longer be to transmit voice. When a device is used as a wallet and bank account (Barnes & Corbitt, 2003; Sandlin, 2001), when it transmits images (Repo, Hyvonen, Panzar & Timonen, 2004) and obeys voice commands, navigates in towns and communicates with other devices, it should no longer be called a telephone.

However, many consumers have remained skeptical towards mobile services (m-services). Most use only simple services that can be ordered by sending a text message on demand (pull services), such as requesting a weather or stock market report, or subscription services (push services), such as news or sports results. So far, predictions of mobile service usage have not been met, for example, the prediction by UMTS Forum (2001) that by 2004 more mobile devices than PCs will access the Internet. Likewise, the estimate by Gerwig (2001) that shopping for goods with the mobile phone will hit its stride in 2006 appears overly optimistic today.

No one questions the future importance of mobile services. Mobile penetration is high and climbing fast. Nokia (2001) estimated that there would be one billion mobile phones in use globally in 2002, an estimate that still holds (Reinhardt, 2003). On the other hand, the estimate of 1 billion mobile Internet users by 2004 (The Economist 2001, p. 263) has
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