Customer Service in Financial, Communications and Business Service Companies in Nigeria: Impressions of Lagos Industry Executives

Chigozirim Utah
Faculty: Philip Gaunt, Deborah Ballard-Reisch
Elliott School of Communication

Abstract: Nigeria is the eighth largest oil producer in the world, and the largest in Africa. Yet, instead of transforming the country into one of the most prosperous in the continent, Nigeria's abundant natural resources have enriched a small minority while the vast majority remains impoverished. Violence and instability in the oil-rich Niger-Delta region coupled with the capriciousness of oil prices has stimulated the nation's quest for economic diversification. Service sector growth is particularly promising. Increased privatization, foreign investment and globalization have stimulated growth in service companies. This study explores customer service in service companies located in Lagos, Nigeria and how customer service practices are evolving in response to changes in the service economy.

1. Introduction

Customer service involves a wide range of practices that might not readily be described as "communication". However, the performance of customer service activities and the manner in which they are rendered, communicates a strong message about an organization to its customers. So it can be said that customer service is a communicative act; and like any type of communication, the definition and scope of customer service is affected by the context in which it occurs.

The Nigerian service sector offers a unique economic context from which to study customer service. Economic reforms, globalization, foreign investment and privatization of previously government-run service organizations have all served to stimulate growth and competition in the service sector. Telecommunication and financial companies are some of the fastest growing service organizations in the country (Oshikoya, 2008). Consequently, business services such as securities and technology services that support the operation of these organizations have increased as well. As a result, this study investigates customer service in financial, communications and business service companies located in Lagos, the financial, economic and business capital of Nigeria, and how customer service practices are emerging in response to changes in the service economy.

There is an abundance of literature on customer service, service marketing and other related concepts. However, there is very little research on customer service practices in Nigeria, which pointed to the appropriateness of an exploratory, research question based approach (Frey, Botan, Friedman & Gary, 1992, p. 16). The purpose of this study was not generalizability, but to gain a better understanding of the context in order to ground future research endeavors.

2. Experiment, Results, Discussion, and Significance

Five research questions were posed:

RQ1: How do Nigerian service sector leaders conceptualize quality customer?
RQ2: Do Nigerian service sector leaders view quality customer service as important to their organizations? The service sector? The economy as a whole?
RQ3: In what ways, if any, do customer service practices support the accomplishment of customer service goals?
RQ4: How do Nigerian service sector leaders experience customer service as individual and organizational consumers?
RQ5: Are there any major barriers to the development of a quality customer service culture in the country?

Qualitative methodology was utilized in this study, specifically key informant interviews as a means of data collection (Krishna, 1989; USAID, 1996, UWEX, 2002), and thematic analysis was utilized to analyze research data (Boyatzis, 1998).
Key informant interviews involve interviewing a select group of individuals who are likely to provide needed information, ideas, and insights on a particular subject (Krishna, 1989). Key informant interviews were appropriate for this study for the following reasons:

- Preliminary information is needed to design a comprehensive quantitative study (USAID 1996)
- When a researcher is new to a community and/or specific issue, key informant interviews serve to provide an initial overview of major issues in the community, and details about these issues. This allows the researcher to check assumptions about the issue against what is really going on (The Access Project, 1999)

It is important for key informants to possess above average knowledge about the particular area of interest (The Access Project, 1999). Hence, the ten key informants utilized for this study were upper level managers and above in their companies. Key informants were recruited from three different service company categories: financial services (banks, insurance and investments), communications services (telecommunications) and business services (securities, legal services, internet service provider’s, technology services and other services that support business activities). A network sample was utilized, i.e. each participant was asked to recommend another participant in the target population. Data collection occurred in two phases. In phase one, four pilot interviews were conducted, and these interviews pointed to further revision of the initial set of twelve interview questions. In phase two, interview questions were refined and three more questions added to better address research questions. Revised interview questions covered three broad areas: 1) Conceptualization and implementation of customer service, 2) Evaluation and Planning within the organization, and 3) Perspectives on Nigerian Customer Service. Interviews were conducted via telephone or Skype and recorded for note-taking accuracy.

A six-step data analysis process was undertaken to address the research questions posed. These steps were loosely guided by procedures presented by Boyatzis (1998) for the conduction of an inductive thematic analysis. First, within twenty-four hours of each interview, comprehensive data files were created and double-checked for accuracy. Second, comprehensive data files were organized by interview question and reduced into concise data files for ease of analysis. Third, four master files were created: 1) Phase one master file with all responses color coded by interviewee and organized by interview question, 2) Phase one master file with all responses organized by research question, 3) Phase two master file with all responses color coded by interviewee and organized by research question, and 4) Phase two master file with all responses organized by research question. Phase one and two were analyzed separately. Fourth, content within each research question was carefully examined for emergent themes. Fifth, related patterns formed the basis for sub-themes, and codes were constructed to highlight differences in sub-themes. Sixth, themes were applied to address research questions.

**Results**

Key informants emphasized the importance of meeting and exceeding customer expectations in their conceptualizations of quality customer service, describing customer service as crucial to the success of their organizations and the continued progress of Nigeria's economy, especially in the realm of attracting more foreign investment. They were confident that the customer service practices in their organizations were in sync with their organizational goals, often giving examples of how quality customer service had positively affected their bottom line and the loyalty of their customers. The stated barriers to the development of customer service in their organizations and the country as a whole were largely cultural and external. Infrastructural issues such as power supply, telecommunications and transportation and cultural issues such as lack of education were stated. However, key informants still concluded that these were not excuses for poor service.

**3. Conclusion**

Contrary to popular thought, customer service practices are rapidly evolving and have been enhanced by technology and increased partnership with global entities; and these developments have occurred in the midst of major economic, political and socio-cultural challenges.

**4. Acknowledgements**

Many thanks to Dr. Gaunt and Dr. Ballard-Reisch for their expertise, knowledge and advice at every step of this project, and for thinking about those things that I would never have thought of myself.