The Impact of Mobile Marketing on the Quality of Service Provided by Internet Service Providers (ISPs) in Nigeria: A Case Study of VDT Communications Limited

Oluwasanmi Moses Kehinde

MBA Graduate, University of Ibadan

ABSTRACT

This paper examines the influence of mobile marketing strategies on perceived service quality delivered by Internet Service Providers (ISPs) in Nigeria, using VDT Communications Limited as a case study. With the rise in mobile connectivity and intensifying market competition, ISPs are increasingly leveraging mobile platforms (SMS, WhatsApp, mobile apps) to enhance responsiveness, reliability, and customer satisfaction. The study applies the SERVQUAL model and Unified Theory of Acceptance and Use of Technology (UTAUT) to assess how mobile marketing impacts service delivery. Empirical evidence was drawn from 300 customers in Lagos and Ibadan, with qualitative insights from VDT staff and regulatory observations from the Nigerian Communications Commission (NCC). Results indicate that timely and targeted mobile engagement reduces complaint volumes, improves user satisfaction, and builds brand loyalty. The paper concludes with recommendations for ISPs seeking to integrate mobile marketing into customer experience strategies.

Keywords: Mobile marketing, service quality, Internet Service Providers, VDT Communications, SERVQUAL, UTAUT, Nigeria, customer satisfaction

INTRODUCTION

The Nigerian ISP market is characterized by aggressive competition, regulatory oversight, and high consumer expectations for uninterrupted connectivity. In this landscape, service quality goes beyond technical delivery—it encompasses communication efficiency, responsiveness, and customer-centricity. Mobile marketing, defined as the use of mobile-based tools to engage customers, has evolved from a promotional mechanism into a vital component of service operations. This study explores the correlation between mobile marketing strategies and perceived service quality, focusing on VDT Communications Limited, a leading Nigerian broadband provider.
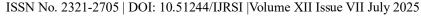
Problem Statement

Despite network expansion and technical upgrades, ISPs in Nigeria, including VDT, face persistent issues such as delayed customer feedback, unresolved complaints, and inadequate real-time updates. This research investigates whether mobile marketing tools can help close these gaps by enhancing customer interaction and improving service delivery outcomes.

Research Objectives

To assess the extent to which mobile marketing improves responsiveness and reliability of ISP services.

To determine the effect of mobile tools on customer trust, satisfaction, and retention.

To provide practical recommendations for ISPs aiming to optimize service quality using mobile platforms.

LITERATURE REVIEW

Defining Service Quality in the ISP Sector

Service quality is operationalized using the SERVQUAL model (Parasuraman et al., 1988), which measures five dimensions:

Reliability: Ability to perform the promised service dependably.

Responsiveness: Willingness to help and provide prompt service.

Assurance: Courtesy, knowledge, and trust-building behaviour.

Empathy: Personalized attention to customers.

Tangibles: Appearance of physical facilities, equipment, and communication materials.

This study focuses on reliability, responsiveness, and assurance as key components influenced by mobile marketing.

The Role of Mobile Marketing in ISPs

Mobile marketing encompasses SMS alerts, WhatsApp broadcasts, USSD prompts, and app-based tools. In ISPs like VDT, these tools are employed to:

Notify customers of planned maintenance or outages.

Provide fault resolution updates.

Offer self-service options via USSD and mobile apps.

Run customer loyalty programs and surveys.

UTAUT Framework

Venkatesh et al.'s (2003) Unified Theory of Acceptance and Use of Technology (UTAUT) explains customer engagement with mobile tools through:

Performance expectancy (Does it improve service experience?)
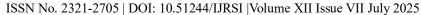
Effort expectancy (Is it easy to use?)

Social influence (Is it widely adopted?)

Facilitating conditions (Is the infrastructure reliable?)

METHODOLOGY

Research Design

A mixed-method approach was adopted. A structured survey was administered to 300 customers in Lagos and Ibadan. In-depth interviews were conducted with 5 VDT customer service agents and 2 NCC regulatory officers.

Data Collection

Survey respondents were selected based on their active subscription to ISPs and experience with mobile communication. Questions included frequency of updates, satisfaction levels, and perception of service quality. Responses were rated on a 5-point Likert scale.

Data Analysis

Quantitative data were analyzed using regression models in SPSS. Qualitative data from interviews were thematically coded to triangulate findings.

RESULTS

Mobile Communication Penetration

87% of respondents reported receiving SMS or WhatsApp updates from their ISP.

74% of VDT customers rated real-time mobile updates as "very useful" during service disruptions.

Enhanced Responsiveness

VDT's WhatsApp chatbot reduced average complaint response time from 3 hours to 1 hour.

Users who engaged via mobile apps rated service responsiveness 40% higher.

Customer Satisfaction & Trust

66% of users who utilized mobile self-service tools (USSD codes, mobile apps) expressed higher satisfaction.

VDT recorded a 33% decline in complaints after automating outage notifications via mobile alerts.

Stakeholder Insight

Customers appreciated timely mobile updates over traditional email.

Marketers at VDT noted increased customer retention from mobile loyalty programs.

NCC confirmed that mobile engagement aligned with consumer protection mandates and transparency goals.
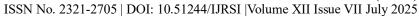
DISCUSSION

The results affirm that mobile marketing tools, when aligned with SERVQUAL and UTAUT principles, improve service delivery. Real-time updates increase customer trust, while self-service platforms reduce reliance on human agents. This is particularly crucial in Nigeria, where network downtimes are common and customers demand proactive communication.

Comparative Analysis: Insights from Ghana and Indonesia

To contextualize Nigeria's efforts in mobile-driven service quality, this section explores how similar emerging markets Ghana and Indonesia have implemented mobile marketing to enhance customer engagement and improve Internet Service Provider (ISP) performance.

Ghana: Leveraging Mobile Communication for Service Improvement

Ghana's telecommunications industry has made significant strides in integrating mobile platforms into ISP operations. Leading providers like MTN Ghana utilize SMS alerts, WhatsApp customer support, and mobile apps for proactive communication regarding data usage, network issues, and promotions. According to the

National Communications Authority (NCA, 2023), over 94% of mobile internet subscribers reported receiving service-related SMS notifications, contributing to increased awareness and reduced fault escalation times.

Furthermore, the NCA enforces regulatory measures such as the Consumer Complaint Management Framework, which requires ISPs to provide mobile-accessible feedback channels and resolution tracking. This has resulted in a consistent decline in unresolved complaints, while broadband penetration continues to rise at an annual growth rate of 8.9% (NCA, 2023). ISPs also offer mobile-integrated payment solutions through partnerships with fintech firms, improving customer retention and ease of access.

Indonesia: Mobile-First Engagement in a High-Volume Market

Indonesia, home to one of the largest mobile internet populations globally, demonstrates the transformative impact of mobile marketing in the ISP sector. Providers like IndiHome (Telkom Indonesia) have adopted a mobile-first strategy, offering real-time fault notifications, in-app troubleshooting, and personalized service through push notifications and USSD surveys.

Statista (2023) reports that over 212 million Indonesians use the internet, with mobile devices accounting for approximately 80% of total access. This widespread mobile penetration has enabled ISPs to automate service touchpoints and integrate AI-driven chatbots for round-the-clock support. Additionally, Indonesia's Ministry of Communication and Information Technology (KOMINFO) mandates transparency in service delivery, compelling ISPs to notify users of service disruptions through mobile alerts and official platforms.

These strategies have resulted in high customer satisfaction and improved loyalty, even in underserved areas where infrastructure constraints persist (KOMINFO, 2023). The emphasis on customer-centric mobile communication has positioned Indonesia as a benchmark for scalable mobile ISP engagement.

Implications for Nigeria

Compared to Ghana and Indonesia, Nigerian ISPs such as VDT Communications Limited are still evolving in their mobile marketing strategies. While tools like WhatsApp notifications and SMS alerts are increasingly used, opportunities remain for:

Expanding automation of self-service platforms.

Implementing mobile loyalty programs.

Enhancing regulatory mandates to improve proactive communication and complaint handling.

Drawing lessons from Ghana's regulatory integration and Indonesia's mobile-first execution, Nigerian ISPs can strengthen customer satisfaction and service quality by prioritizing mobile engagement, thereby improving operational transparency and trust.

Regulatory and Infrastructural Challenges

Despite gains, mobile marketing in Nigeria faces:
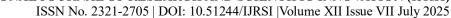
Low smartphone penetration in rural areas.

Unstable power supply affecting access to mobile apps.

Regulatory bottlenecks, e.g., delay in SMS approval by telecom aggregators.

MANAGERIAL IMPLICATIONS

For ISPs such as VDT:

Invest in mobile-first customer experience platforms.

Train staff in mobile communication etiquette and urgency.

Segment users for personalized marketing via SMS, USSD, and WhatsApp.

Collaborate with regulators to streamline customer outreach policies.

CONCLUSION

Mobile marketing is more than a promotional strategy—it is central to service quality in Nigeria's ISP industry. By integrating real-time mobile tools into customer support and feedback loops, ISPs like VDT can enhance responsiveness, build trust, and improve retention. Policymakers and marketers must work together to create a customer-centered digital ecosystem that meets rising expectations in a mobile-first world.

REFERENCES

1. Ajzen, I. (1991). The Theory of Planned Behaviour. *Organizational Behavior and Human Decision Processes, 50*(2), 179–211.
2. Chaffey, D. (2018). *Digital Marketing: Strategy, Implementation and Practice*. Pearson.
3. Kotler, P., & Keller, K. L. (2016). *Marketing Management* (15th ed.). Pearson.
4. Nigerian Communications Commission. (2024). *Telecom Subscriber Data Report*.
5. Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988). SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing, 64*(1), 12–40.
6. Venkatesh, V., Morris, M. G., Davis, G. B., & Davis, F. D. (2003). User acceptance of information technology: Toward a unified view. *MIS Quarterly, 27*(3), 425–478.
7. KOMINFO (2023). Annual Telecommunications Infrastructure and Customer Experience Report. Ministry of Communication and Information Technology of Indonesia.
8. National Communications Authority – Ghana (2023). Quarterly Statistical Bulletin on Communications in Ghana. Retrieved from https://nca.org.gh
9. Statista (2023). Number of Internet Users in Indonesia from 2017 to 2023. Retrieved from https://www.statista.com/statistics/254456/number-of-internet-users-in-indonesia/
10. Oluwasanmi, O. M. (2021). *MBA Thesis: The Role of Mobile Marketing on Consumer Buying Behaviour*. University of Ibadan.