

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND

“Water is Life,” according to His Majesty King Bhumibol Adulyadej. Water is necessary for survival above all other resources on earth. In the past, people consumed water from rivers, canals, and rain water. When population grew in numbers, natural water resources were not sufficient. Moreover, the quality of water was not suitable for consumption. His Majesty King Rama IV was concerned with people’s health so he established the Department of Sanitation to provide tap water in 1897. On November 14, 1914, the Bangkok Waterworks Authority was inaugurated by His Majesty King Rama VI. Later, the Bangkok Waterworks Authority was transformed into the Metropolitan Waterworks Authority (MWA) by consolidating with 3 other agencies: Thonburi Waterworks Authority, Nonthaburi Waterworks Authority, and Samutprakarn Waterworks Authority (การประปานครหลวง, 2549).

The Metropolitan Waterworks Authority (MWA) was established on August 16, 1967 as a State Enterprise under the Ministry of Interior. The organization provides good quality water supply to the residents, businesses, and industries in Bangkok, Nonthaburi, and Samutprakarn. The type of service is a monopoly, in which there is no competitor. Because of the nature of this business, the MWA did not pay attention to marketing and service. In the past, marketing at the MWA was passive. It waited for the customers to ask for the service from the branch office. The customers were not given attention and care. There was no marketing research. Therefore, there was no information on the customers’ needs and wants.

Even though it is a natural monopoly, the organization has the duty to serve the respective communities along with the aim of strengthening the organization. It needs to respond to a changing environment with new developments in the economy, politics, social organization, and dynamic change in technology. At the same time, it has to compete with other public service providers for a continuous improvement in service. It is necessary to improve the management to be more effective and more business-like. Therefore, since the year 2005, the Metropolitan Waterworks

Authority no longer operates passively and now takes a proactive role with the establishment of the first Metropolitan Waterworks Authority Management Strategy (2005-2007). Its mission is to increase efficiency in management, conduct proactive marketing, focus more on technology application, and provide fast and reliable service. The framework focuses on “Stability and development to sustainable organization” (การประปานครหลวง, 2548). The organization also considers the customers and marketing as important aspects in effective management.

With the new management strategy, the second Metropolitan Waterworks Authority Management Strategy (2008-2011), the organization focuses on the “Customers’ impression escalation in the MWA’s quality and services and a Learning Organization Development” as a framework. The new mission is “to provide cost-effective water supply services with high standards, modern technology, and competent professionals to ensure customers’ satisfaction” (การประปานครหลวง, 2550). It aims to provide excellent services to create customer delight. Both framework and mission of the new management strategy stress the importance of customers’ satisfaction. Consequently, it is necessary for the branch office to undertake a strategy to improve customers’ satisfaction.

The Minburi Branch Office is one of fifteen branch offices of the Metropolitan Waterworks Authority, serving residents in Minburi, Ladkrabang, Nongjork, and Klongsamwa district. The responsible areas are 550 km² or 1/3 of Bangkok area. It is the newest branch, which was established on October 1, 2005. The establishment of the Minburi Branch Office was a part of management strategy in marketing and service. The former MWA governor wanted to create this branch to be the first “Modern Branch Office,” with modern buildings, equipment, and good service for the customers.

Since there are many customers using the services at the Minburi Branch Office, sometimes problems can occur which lead to dissatisfaction of the customers. With the aim of increasing efficiency in management and providing good service to the customers, it is therefore necessary to study customers’ satisfaction with services so that the Minburi Branch Office will be able to use the obtained information and customers’ suggestions for further improvement.

1.2 STATEMENT OF THE PROBLEM

At present, the intense competition in customer service results in a higher expectation from the customer. It is a challenge for the organization in building up its corporate image and generating the customer satisfaction. Customer satisfaction is a major concern of the Minburi Branch Office. Therefore, this survey will measure customers' satisfaction with services as well as studying their needs and expectations. Consequently, this research is conducted in an attempt to answer the following questions:

1.2.1 Main Question

What is the degree of customers' satisfaction with services at the Metropolitan Waterworks Authority, Minburi Branch Office?

1.2.2 Main Question

1. What are the customers' opinions on services at the Metropolitan Waterworks Authority, Minburi Branch Office?

2. What are the weak points of the customer service that should be improved?

3. What are the customers' suggestions for further improvement?

1.3 OBJECTIVES OF THE STUDY

1.3.1 Main Objective

To evaluate the degree of customers' satisfaction with services at the Metropolitan Waterworks Authority, Minburi Branch Office. The investigation focuses on customers' satisfaction with four elements; water quality, service staff, service procedures, and facilities provided. Additionally, this study consists of three sub-objectives as follows:

1.3.2 Sub-Objectives

1. To investigate the customers' opinions on services at the Metropolitan Waterworks Authority, Minburi Branch Office.

2. To find out the weak points of the customer service that should be improved.

3. To seek their suggestions on how to improve the service of the Metropolitan Waterworks Authority, Minburi Branch Office.

1.4 DEFINITIONS OF TERMS

Definitions of the terms of this study are the following:

Customers refer to the customers who come to use the services at the Metropolitan Waterworks Authority, Minburi Branch Office, at the time of collecting data.

Service staff refers to the staff of the Metropolitan Waterworks Authority, Minburi Branch Office, who were performing their service duties at the time of collecting data.

Customers' satisfaction refers to customers' overall evaluation of the experience in obtaining services from the Metropolitan Waterworks Authority, Minburi Branch Office, at the time of collecting data.

Satisfaction with water quality refers to customers' satisfaction with sufficient water amount, water pressure, and water cleanliness.

Satisfaction with service staff refers to customers' satisfaction with politeness and manners of the staff, the willingness to help and give prompt service, staff expertise in performing their duties, and sufficient number of staff.

Satisfaction with service procedures refers to customers' satisfaction with appropriate queuing system, speed of service, ease of contact with the staff, and clear service steps and system.

Satisfaction with facilities refers to customers' satisfaction with appropriateness and accessibility of the office location, cleanliness of the place, sufficient waiting space, and up-to-date equipment.

1.5 SCOPE OF THE STUDY

The study focuses on the satisfaction of customers using services at the Metropolitan Waterworks Authority, Minburi Branch Office, during January 2008. Due to the time constraint, the sample size is small – 100 customers. The limitation of this study is that many customers seemed to be busy, wanting to go back right after consuming the service, so it was difficult to ask them to participate in the study. Moreover, the results can not be generalized to the level of customers' satisfaction in all branches of the Metropolitan Waterworks Authority because the data was only collected in one branch.

1.6 SIGNIFICANCE OF THE STUDY

With the aim of increasing efficiency in management and providing good service to the customers, collecting general information from the customers, together with identifying their degree of satisfaction, will help improve the operations to serve their needs. The level of customers' satisfaction can serve as an indicator of the quality of service provided by the organization. Moreover, the comments or suggestions from the customers will be used to improve the quality of goods and services. The results from this study could also be used for planning management strategy in marketing and services.

1.7 ORGANIZATION OF THE STUDY

The study of customer satisfaction in this paper is divided into five chapters. Chapter one introduces the background, statement of the problem, objectives of the study, definitions of terms, scope of the study, and significance of the study. Chapter two is a review of literature concerning customer satisfaction, including previous studies. Chapter three provides the method of study. It describes the research subjects, materials, procedures, and data analysis. Chapter four presents the findings of the study. Lastly, chapter five includes a summary of the study, discussions, conclusions, and recommendations for further research.