A CASE STUDY ON CUSTOMER SERVICE COMMUNICATION AND ITS IMPACT ON CUSTOMER LIFETIME VALUE IN TELECOMMUNICATION INDUSTRY, COLOMBO DISTRICT, SRI LANKA

Susiri Prasadh Lakkhana Dias*

Faculty of Applied Sciences, Sabaragamuwa University of Sri Lanka, Belihuloya, Sri Lanka

*susiri79@gmail.com

Abstract

Customer retention remains a significant challenge within the telecommunications sector, despite the sector's essential role in facilitating communication and connectivity among individuals and businesses in Sri Lanka. This paper aims to identify how bad customer service communication affects Customer Lifetime Value (CLV) in the communications industry of the Colombo District, Sri Lanka. Using a statistical analysis method, the study evaluates important service communication aspects including information clarity, responsiveness, empathy and helpfulness. A standardized questionnaire was sent to 100 communications service consumers gathered data of this study. Strong internal consistency across all variables investigated by Cronbach's Alpha in reliability test confirmed the instrument's dependability. All service communication factors and customer outcome measures including long-term satisfaction, perceived value for money, intention to suggest and probability of staying with the provider showed notable positive correlations, according to correlation analysis. Regression study showed that customer service communication is a strong predictor of CLV, explaining 95.6% of the variation ($R^2 = 0.956$). The Regression Analysis coefficients showed that improved communication has a statistically significant and highly excellent influence on CLV ($\beta = 0.978$, $p < 0.001$). These findings highlight the importance of clear, responsive, empathetic, and helpful customer service communication in strengthening customer relationships and enhancing customer value and retention in the Sri Lankan telecommunications sector. The study recommends strengthening proactive communication practices, implementing real-time customer feedback mechanisms, and providing systematic communication training for customer service personnel.

Keywords: Customer Lifetime Value (CLV), Customer Satisfaction, Customer Service Communication, Telecommunication Sector