



The Influence of People on Customer Satisfaction in Mobile Money Services in Mbeya City, Tanzania

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ABSTRACT

This study assessed the influence of People on customer satisfaction in mobile money services in Mbeya City, Tanzania. The study adopted a quantitative research approach and examined People as an element of the extended service marketing mix. The People dimension was assessed through staff competence, friendliness and approachability, responsiveness to customer enquiries and complaints, clarity of staff explanations and courtesy and professionalism. Data were collected from 384 mobile money users using structured questionnaires and analysed using descriptive statistics, Pearson correlation and multiple regression analysis. The findings showed generally favourable perceptions of the People dimension, with a composite mean score of 3.621 (SD = 0.757). However, responsiveness to customer enquiries and complaints received the lowest mean rating among the People indicators, suggesting an area requiring further improvement. The findings further established a strong positive relationship between People and customer satisfaction ($r = 0.717$, $p < 0.01$). Multiple regression analysis also showed that People had a positive and statistically significant influence on customer satisfaction ($B = 0.482$, $\beta = 0.494$, $t = 10.800$, $p < 0.001$). The findings indicate that the competence, friendliness, responsiveness, communication and professionalism of mobile money personnel contribute significantly to customers' satisfaction with mobile money services. The study concludes that the human element of service delivery is an important determinant of customer satisfaction in Mbeya City. It therefore recommends that mobile money service providers strengthen staff training in customer care, communication, responsiveness and problem-solving, while improving complaint-handling mechanisms to enhance the quality and consistency of customer staff interactions.

Keywords: People, Customer Satisfaction, Mobile Money Services, Service Quality, Staff Competence, Mbeya City.

1. Introduction

Mobile money services have become an important component of financial services in many developing economies. They enable customers to undertake transactions such as money transfers, bill payments and other financial activities without relying entirely on conventional banking institutions. As the use of mobile money services has expanded, attention has increasingly shifted towards the quality of service delivery and customers' experiences during service encounters. In service marketing, People constitute an important element because service delivery frequently involves direct interaction between customers and service personnel. Booms and Bitner (1981) extended the traditional marketing mix by introducing People, Process and Physical Evidence to reflect the distinctive characteristics of services. Within this perspective, the competence, responsiveness, communication and conduct of service personnel can influence customers' perceptions of service quality and satisfaction.

The importance of People is particularly evident in mobile money services because customers often interact directly with agents and customer-service personnel when conducting transactions, seeking clarification or resolving service-related problems. Although mobile money services are supported by technological systems, customers may still require assistance from frontline personnel. The way in which employees communicate with customers, respond to enquiries, explain procedures and handle complaints can therefore shape the overall service experience. Grönroos (2015) and Lovelock and Wirtz (2022) emphasise the importance of interactions between service personnel and customers because customers frequently evaluate intangible services through the behaviour and performance of the people delivering them.

Empirical evidence also indicates that customer satisfaction in mobile and digital financial services is associated with the quality of service experiences. For example, Achieng and Ouma (2016), in a study of Barclays Bank of Kenya's Hello Money mobile banking service, examined customer satisfaction and reported generally favourable acceptance of the mobile banking platform. Their study demonstrates the relevance of examining customers' experiences with mobile financial services. More recently, Twum et al. (2023) examined mobile money service satisfaction among 494 users and found that different service-quality factors influenced customer satisfaction and continued use of mobile money services. Their findings further demonstrate the importance of service delivery factors in shaping customers' experiences with mobile money.

In Tanzania, mobile money services have become an important means through which customers conduct routine financial transactions. However, customers may experience differences in the quality of interactions with agents and other service personnel across different locations. Such differences

may relate to staff competence, friendliness, responsiveness, clarity of explanations and professionalism. These variations make the human element of mobile money service delivery an important area for investigation, particularly at the local level.

Although previous studies have examined customer satisfaction in mobile banking and mobile money services, limited empirical evidence has specifically examined the influence of the People dimension on customer satisfaction among mobile money users in Mbeya City. This study therefore focuses specifically on People rather than examining all elements of the extended service marketing mix. The focus is justified by the fact that mobile money customers frequently depend on frontline personnel for assistance, clarification, transaction support and complaint resolution.

Accordingly, this study examined the influence of People on customer satisfaction in mobile money services in Mbeya City. People were operationalised through staff competence, friendliness and approachability, responsiveness to customer enquiries and complaints, clarity of staff explanations and courtesy and professionalism. The study therefore moves beyond the general assertion that service quality matters and examines the specific contribution of the human element of service delivery to customer satisfaction in the selected context.

2. Literature Review

2.1 Theoretical Review

This study was guided by Service Marketing Theory, developed by Booms and Bitner (1981) and further advanced by Grönroos (2015) and Lovelock and Wirtz (2022). The theory recognises that services have characteristics that distinguish them from physical products, including intangibility, heterogeneity, inseparability and perishability. These characteristics make the interaction between customers and service personnel particularly important in service delivery.

Booms and Bitner (1981) extended the traditional marketing mix by introducing People, Process and Physical Evidence as additional elements of the marketing mix for service organisations. People refers to the human actors involved in the provision and delivery of services. In mobile money services, these include agents and customer-service personnel who interact with customers during transactions and when customers require assistance.

The People dimension is particularly relevant because customers may use the behaviour of service personnel as an important basis for evaluating an intangible service. Staff competence can increase customers' confidence in the service, while friendliness and courtesy can create a positive service encounter. Similarly, responsiveness to customer enquiries and complaints may influence customers' perceptions of how seriously their needs are treated. Clear explanations can reduce uncertainty and confusion, while professionalism can strengthen customers' confidence in service personnel.

Grönroos (2015) emphasises the importance of interactions and service encounters in the management of service quality. Similarly, Lovelock and Wirtz (2022) explain that employees play an important role in delivering service experiences and shaping customers' perceptions of service performance. Thus, Service Marketing Theory provides an appropriate explanation for expecting the People dimension to influence customer satisfaction in mobile money services.

2.2 Empirical Literature Review

A descriptive case study by Achieng and Ouma (2016) assessed how satisfied customers were with Barclays Bank of Kenya's Hello Money mobile banking platform. Drawing on questionnaire data, the authors reported broad acceptance of the platform and concluded that customers' day-to-day experience of the service was central to how they judged its quality. Although the study centred on mobile banking rather than mobile money agent services, its finding that customer experience drives satisfaction judgements lends support to examining the human element of service delivery in the present study.

Working in the Kenyan mobile money market, Munyua and Wanjohi (2021) investigated how banking-sector service quality shaped customer satisfaction, with particular attention to the role of staff and agent conduct. Their results linked positive customer evaluations to attentive, competent service personnel, reinforcing the view that frontline staff behaviour is not incidental to service quality but a substantive driver of it. Because the study was conducted in a neighbouring East African mobile money market with comparable agent-based service delivery, its findings are directly relevant to the present investigation.

Kilonzo, Mushi and Salim (2023) examined service quality and customer satisfaction among mobile money users in Tanzania. Their study found that dimensions of service quality, including staff-related factors, were significantly associated with how customers rated their satisfaction with mobile money services. This Tanzanian evidence is particularly relevant because it confirms that service personnel related concerns identified elsewhere in the region also hold within the Tanzanian mobile money market, even though the study was not limited to Mbeya City specifically.

In an earlier Tanzanian study, Madirisha (2011) assessed customer satisfaction with Vodacom's M-Pesa mobile money transfer service in Dar es Salaam. The study found generally positive customer satisfaction but also identified service delivery inconsistencies linked to agent conduct and system reliability. Although more than a decade old and geographically limited to Dar es Salaam, this study remains useful as early domestic evidence that agent-level service quality shapes customer satisfaction with mobile money in Tanzania.

Using structural equation modelling with a sample of 494 mobile money users, Twum et al. (2023) tested how several service-quality factors related to both customer satisfaction and continued use of mobile money services. Service availability, facilities and security emerged as significant predictors of

satisfaction, while provider expertise, network performance and responsiveness were linked to continued usage. Although the study's scope extended beyond the People dimension alone, its findings corroborate the broader proposition that service related factors, several of which are rooted in staff and provider conduct, shape how customers evaluate and continue to use mobile money services.

Taken together, these studies establish a reasonably consistent empirical basis for expecting a positive relationship between People and customer satisfaction in mobile money and related financial services. Even so, the reviewed studies are concentrated in mobile banking, Kenyan mobile money markets, or broader multi-country service quality assessments; Only Kilonzo et al. (2023) and Madirisha (2011) focused directly on Tanzania. However, neither study specifically examined Mbeya City. This leaves a location specific gap regarding the extent to which the People dimension, on its own, influences customer satisfaction among mobile money users in Mbeya City. The present study addresses this gap by focusing specifically on the human element of service delivery and examining its influence on customer satisfaction in this setting.

3. Methodology

The study adopted a quantitative research approach and employed a cross-sectional research design to examine the influence of the People dimension of the extended service marketing mix on customer satisfaction in mobile money services in Mbeya City, Tanzania. The quantitative approach was appropriate because it enabled the researcher to obtain measurable responses from mobile money users and statistically examine the relationship and influence between People and customer satisfaction. The cross-sectional design enabled data to be collected from respondents at a particular point in time.

The study was conducted in Mbeya City and targeted users of mobile money services who had experience interacting with mobile money agents. A sample of 384 respondents was determined using Cochran's formula for situations where the population size is unknown (Cochran, 1977). Respondents were selected using a simple random sampling procedure.

Primary data were collected using a structured questionnaire. The People dimension was operationalised through five indicators: staff competence, friendliness and approachability, responsiveness to customer enquiries and complaints, clarity of staff explanations and courtesy and professionalism. Customer satisfaction was measured using five indicators relating to overall satisfaction with the quality of services received, whether the service experience met expectations, likelihood of continuing to use the services, willingness to recommend the services to friends or family and whether the services provided value for the time and money spent.

The questionnaire used a five-point Likert-type scale ranging from strongly disagree to strongly agree. The questionnaire items were coded and entered into the Statistical Package for the Social Sciences (SPSS) for analysis. Reliability testing was conducted using Cronbach's alpha. The People construct produced a coefficient of 0.656 which, although below the conventional 0.70 threshold, exceeds the 0.60 level generally considered acceptable for exploratory studies using a limited number of items per construct (Hair et al., 2020).

Descriptive statistics, including frequencies, percentages and mean scores, were used to summarise respondents' perceptions of the People dimension and customer satisfaction. Pearson correlation analysis was used to determine the direction and strength of the relationship between People and customer satisfaction. Multiple regression analysis was used to determine whether People significantly influenced customer satisfaction. The regression results were interpreted using the unstandardised coefficient (B), standard error, standardised beta coefficient (β), t-value and significance level.

The statistical tests were interpreted at the 5% level of significance. Therefore, a p-value below 0.05 was considered statistically significant. Ethical principles were observed throughout the research process by ensuring voluntary participation, explaining the purpose of the study to respondents, maintaining confidentiality and using the collected information strictly for academic purposes.

4. Results and Discussion

4.1 Demographic Information of Respondents

Before presenting the substantive findings, the demographic characteristics of the 384 respondents are summarised in Table 1.

Table 1: Demographic characteristics of respondents

Variable	Category	Frequency	Percentage (%)
Gender	Male	174	45.3
	Female	210	54.7
Age	18–25	129	33.6
	26–35	159	41.4
	36–45	78	20.3
	46 and above	18	4.7

Variable	Category	Frequency	Percentage (%)
Marital Status	Single	152	39.6
	Married	205	53.4
	Divorced	19	4.9
	Widowed	8	2.1
Education Level	Primary	39	10.2
	Secondary	136	35.4
	Tertiary	174	45.3
	Other	35	9.1
Employment Status	Unemployed	119	31.0
	Self-employed	159	41.4
	Employed	86	22.4
	Other	20	5.2

Source: Field Data, 2026.

The sample was fairly balanced by gender, with a slightly higher proportion of female respondents (54.7 per cent) than male respondents (45.3 per cent). Most respondents were aged between 18 and 35 years (75.0 per cent combined), reflecting the relatively youthful profile of mobile money users in Mbeya City. In terms of marital status, married respondents formed the largest group (53.4 per cent), followed by single respondents (39.6 per cent). Regarding education, the majority of respondents had attained tertiary (45.3 per cent) or secondary (35.4 per cent) education, while self-employed respondents constituted the largest employment category (41.4 per cent). This demographic profile suggests that the sample was drawn from a broadly representative cross-section of active mobile money users in the study area.

4.2 Influence of People on Customer Satisfaction

The findings demonstrate that People had a positive and statistically significant influence on customer satisfaction in mobile money services in Mbeya City. The People construct was assessed through five indicators: staff competence, friendliness and approachability, responsiveness to customer enquiries and complaints, clarity of staff explanations and courtesy and professionalism.

The descriptive findings showed generally favourable perceptions of the People dimension. Staff competence recorded a mean score of 3.54 (SD = 1.29), while friendliness and approachability recorded a mean score of 3.73 (SD = 1.19). Responsiveness to customer enquiries and complaints recorded a comparatively lower mean score of 3.30 (SD = 1.08). Clarity of staff explanations recorded a mean score of 3.64 (SD = 1.11), while courtesy and professionalism recorded the highest mean score of 3.90 (SD = 1.14). The overall composite mean for People was 3.621 (SD = 0.757).

These findings indicate that respondents generally perceived mobile money personnel positively. In particular, courtesy and professionalism received the highest rating, suggesting that customers generally viewed service personnel as polite and professional. However, the comparatively lower rating for responsiveness to enquiries and complaints indicates that improvement is required in the speed and effectiveness with which customer concerns are addressed.

Table 2: Frequency distribution for Customer Satisfaction items

Item	SD	D	N	A	SA
Satisfied with the overall quality of services received	65 (16.9)	28 (7.3)	34 (8.9)	171 (44.5)	86 (22.4)
Experience of using services meets expectations	28 (7.3)	24 (6.2)	74 (19.3)	155 (40.4)	103 (26.8)
Likely to continue using these services in future	31 (8.1)	22 (5.7)	67 (17.4)	151 (39.3)	113 (29.4)
Would recommend these services to friends or family	17 (4.4)	17 (4.4)	42 (10.9)	171 (44.5)	137 (35.7)
Services provide value for time and money spent	21 (5.5)	21 (5.5)	45 (11.7)	154 (40.1)	143 (37.2)

Source: Field Data, 2026.

Note: SD = Strongly Disagree, D = Disagree, N = Neutral, A = Agree and SA = Strongly Agree.

The findings in Table 2 show generally favourable levels of customer satisfaction. The highest proportion of respondents who agreed or strongly agreed was recorded for recommending the services to friends or family, while a similarly favourable response was observed regarding the value obtained from the time and money spent on the services. Overall, the results indicate that respondents generally had positive experiences with mobile money services.

4.3 Regression

Table 3: Regression result for the People dimension

Variable	B	Std. Error	Beta	t	Sig.
People	0.482	0.045	0.494	10.800	0.000

Source: Field Data, 2026. Dependent Variable: Customer Satisfaction.

The results presented in Table 3 provide strong evidence that People had a positive and statistically significant influence on customer satisfaction ($B = 0.482$, $\beta = 0.494$, $t = 10.800$, $p < 0.001$). The positive unstandardised coefficient indicates that an increase in the People construct was associated with an increase in customer satisfaction. The standardised beta coefficient of 0.494 further indicates a substantial contribution of People to customer satisfaction.

The result supports the study hypothesis that People have a significant positive influence on customer satisfaction in mobile money services in Mbeya City. The null hypothesis was therefore rejected and the alternative hypothesis was accepted.

The study found that the People dimension had a positive and statistically significant influence on customer satisfaction in mobile money services in Mbeya City. The assessment focused on key characteristics of mobile money personnel, including competence, friendliness and approachability, responsiveness to customer enquiries and complaints, clarity of explanations and courtesy and professionalism.

Overall, respondents expressed favourable perceptions of the People dimension, as reflected by a composite mean score of 3.621 ($SD = 0.757$). Among the individual indicators, courtesy and professionalism received the highest mean score, while responsiveness to customer enquiries and complaints received the lowest mean score. This suggests that although customers generally viewed service personnel positively, responsiveness remains an area that requires improvement.

The findings further showed a strong positive relationship between People and customer satisfaction, with Pearson's correlation coefficient of $r = 0.717$ ($p < 0.01$). More importantly, the regression analysis established that People had a statistically significant and positive influence on customer satisfaction ($B = 0.482$, $\beta = 0.494$, $p < 0.001$).

These findings indicate that improvements in the competence, friendliness, responsiveness, communication and professionalism of mobile money personnel are associated with higher levels of customer satisfaction. The findings therefore demonstrate that the human element of service delivery is particularly important in shaping customers' experiences and evaluations of mobile money services in Mbeya City.

5. Conclusion

The study concludes that People is a significant determinant of customer satisfaction in mobile money services in Mbeya City. The statistical evidence demonstrates that customers are more likely to report higher satisfaction when mobile money agents and service personnel demonstrate competence, friendliness, responsiveness and professionalism during service encounters.

The strong positive correlation between People and customer satisfaction, together with the statistically significant regression coefficient, provides empirical support for the importance of human interaction in mobile money service delivery. The findings suggest that customers do not evaluate mobile money services solely on the basis of technological and transactional aspects; their interactions with agents and other service personnel also contribute substantially to their overall satisfaction.

Therefore, improving the quality of employee–customer interactions should be considered an important strategy for mobile money service providers seeking to strengthen customer satisfaction in Mbeya City. Particular attention should be given to improving responsiveness to customer enquiries and complaints because this was the comparatively weaker aspect of the People dimension.

6. Recommendations

Based on the findings, mobile money service providers should strengthen staff development and customer-service management programmes, with particular emphasis on competence, communication, responsiveness, courtesy and problem-solving. Regular training should equip agents and customer-service personnel with the skills required to communicate clearly with customers, respond promptly to enquiries, handle complaints professionally and resolve routine customer problems effectively.

Particular attention should be given to staff responsiveness to customer enquiries and complaints, since this was the comparatively weaker aspect within the People dimension. Providers should establish clear complaint-handling procedures and improve mechanisms for escalating unresolved customer

concerns. Regular monitoring of staff performance through customer feedback and customer satisfaction assessments would also help providers identify weaknesses in employee–customer interactions and improve the consistency of service encounters.

These measures would strengthen the quality of interactions between mobile money personnel and customers and, consequently, contribute to improved customer satisfaction.

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