

# Impact of Service Innovation on Performance of Mobile Money: « M-PESA », Case of Vodacom D.R. Congo

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**Abstract:** *Services are getting to be main impetuses of economies right now bringing about much consideration on Innovation of new Services from companies to fulfil client needs. Consumer loyalty and their behavioural goal assume a basic part in Firms Performance and have been researched deliberately in both business and researches sciences. Numerous past studies have directed to research the key part of Service Innovation on Firm's Performance and Firm's competitiveness. But, few studies in the service literature have all the while analyzed the impacts of service innovation on performance particularly in Telecommunication sector. This study concentrates on tending to the end customer issue of Service Innovation. This study inspects benefit development from end customers' point of view. A data of 797 sample both clients of that MPESA Service and workers of Vodacom organization is gathered for empirical hypothesis testing of relationship among variables. The reasonable model researches the important connections by utilizing Correlation Analysis and Multiple regression. Discoveries demonstrate that four essential markers identified with the independent variable service Innovation to be specific (Time, Quality of service, Organization and Technology) are the key determinants of Performance as Dependent variable whose we considered just two sort of that (Financial performance with Profitability and sales performance with Customer satisfaction). The paper additionally incorporates an examination on the hypothetical and administrative ramifications of the Research results.*

**Keywords:** service innovation, Performance, Customer satisfaction, profitability.

## 1. Introduction

Today, the accomplishment of Telecommunication industry like Vodacom relies on upon the organization's efforts and investment to more extensive innovation policy in order to achieve goals and to associate their innovation answer for the market and gain competitive advantage. Innovation in Technology, particularly in ICT (Information Communication Technology) make Service Innovation able to perm fastely Technology (Chen, J.S., T. Hung Tai, and A.Y.H. Huang, 2009). In current decades, Innovation is increasing expanding acknowledgment as a major competitive weapon and involving a noteworthy part of the corporate strategy of many firms over the globe (Bradshaw and Turner, 2008). A substance investigation on the expression "innovation" did inside the hierarchical setting is characterized as the multi-arrange handle whereby Firms change thoughts into better than ever products, Service or procedures, so as to advance, compete, and differentiate themselves effectively in their Market place (Baregheh et al, 2009). On a consistent premise, Services are given in all circles of business, going from SMEs, joint venture, counselling firms, internet, transport, tourism, social welfare, telecommunication services etc. From a wide point of view accordingly, a total of these service by individual organizations serves as a noteworthy impetus for financial development and modern improvement in animation. Measurable confirmations uncover that the main part of incomes of GNP of cutting edge industrialized nations "originate from the generation, dissemination and A total meaning of service innovation was proposed by (Van Ark et al, 2003) when they said service innovation can be defined as another or significantly changed service idea, customer connection channel, service delivery system or innovative idea, that Regardless of the more than eleven years of introduction of digital mobile communication technology in

Democratic Republic of Congo, the telecommunication industry is still deceived by various relevant difficulties change of services" (Maffei, Mager and Sangiorgi, 2005).

As the telecommunication system has been the quickest developing, it confronts an extreme rivalry. In a competitive market, the telecommunication service or products providers may tend to offer innovative services to triumph over the opposition and later co-make esteem. Offering innovative service in telecommunication industry are a compelling business technique to take a stab at cost diminishment, enhance the performance, efficiency, and development this is the fundamental reason of picking this topic that will encourage the Vodacom firm to keep still his high position as leader in Congolese telecommunication area.

## 2. Literature Review

In this part, we'll talk more about the concept of service Innovation, financial performance and commercial then finally we'll found our hypothesis research.

### 2.1 The Concept of Service Innovation

Nählinder (2005) showed that innovation is not generally a change in a change in Tangible product or the production procedure of such a product. It might likewise be a change in what we as a rule name a service. In particular, innovation is more than just specialized change. Nählinder (2005) additionally expressed that services have been tragically imperceptible in the regular discourse of innovation and even the presence of innovation in services has been addressed. Researchers of innovation in services some of the time even safeguard their reality. One explanation behind this disregard might be that it is hard to conceptualize an advancement in an elusive service and considerably harder

to perceive how such an innovation may have significance. While, for some individuals, "innovation" is quickly connected with huge innovative gadgets, for example, the steam motor, electronic devices and technical advances. In actuality, the idea of "innovation" is more comprehensive. Innovation is more than only technical change. Some innovation are changes in technology yet a innovation may likewise be an organizational change for example, or a service product. Service innovation in the opinion of the European Commission (2012) "contains new or basically upgraded services thoughts and offerings in light of current circumstances, paying little respect to whether they are presented by services Firms or manufacturing firms, and also innovation in the service procedure, benefit framework, customer preparing, Business models, commercialization (sales, Marketing, delivery)service productivity and cross over type of innovation serving a couple customer accumulates in different routes in the meantime.

Drawing from the perspectives of Lenfle (2004) and Lovelock & Wirtz (2007), the concept of innovation in service is not restricted to purely service firms alone but rather additionally reaches out to manufacturing firms that support their products with services. This is done regularly to make a focused refinement from different firms working in a similar industry and to offer need fulfilling answers for clients. There are many different ways for service provider to be innovative. The following are a few classifications of service innovation. Significant service innovations; which are new core products for markets that have not been already characterized.

## 2.2 Deep explanations of Performance

The notion of performance appears explicitly in two themes in Management: "evaluation and performance" and "time and risk". It is implicit in some the other themes. This is one of the cross-cutting program. According to Bourguignon (1995) in contrary to the French meaning, performance in English "contains at the same time Action, Result and Success" For to explain that notion of Performance, we will retain the definition of (Bourguignon, 2000) because it combine 3 meanings above and it recognize it character polysemic. Thus, Performance can be define as the realization of organizational objectives whatever can be the nature and variety of those objectives. That realization can be understand with the meaning strict or wide meaning of process lead to the result (Action...) In the definitions of Performance we get what LEBAS, 1995 argued that the common character of performance:

- To accomplish, realize the activity in the specific aim
- Realization of Result
- Comparison of result to internal or external reference
- Aptitude to realize or accomplish result
- Apply continuous concepts of progress in the aim of competition

### 2.2.1 Performance within the Organization

The performance is studied with regard to the objectives of the organization and the expectations of the actors, taking into account the context in which it takes place, hence the need to identify these three aspects (objectives, expectations and context) before the performance analysis. In term of

expectations, is to study how the performance of the organization can meet expectations expressed by stakeholders and how expectations can be translated into Performance (link with the theme of the individual to the actor). In its managerial sense, it contains the idea of:

- Performance "result" which must be contrasted with a referential (the target). The performance speaks to "the level of accomplishment of the targets" (A. Burlaud, J.-Y. Eglem and Mykita, 1995)
- Performance "activity" which makes it conceivable to recognize fitness (capacity to act, to understand a Production) of performance (real production). Therewould be performance as quickly as time permits.

### Financial performance

The financial performance is closely linked to economic performance; it's measured by several ratios:

**Profitability (ROE):** This ratio relates the results of indicators on the amount of resources used. The most often used is the ratio ROE (return on equity).  $ROE = \text{Result for the period} / \text{Equity capital}$  The Q ratio proposed by Tobin, constitutes in principle a measure of all anticipated rents, on an infinite horizon. This measurement is done by relating the sum of the values of the securities held by financial investors (shareholders and creditors) to the amount of capital they have invested. The value of the invested capital is measured by the replacement cost of assets financed, usually evaluated from the capital.

**Q Tobin** = Market value (equity + debt) asset replacement cost.

### Sales performance

Sales performance can be defined as the ability of the company to satisfy its customers by offering quality products and services to meet consumer expectations.

Those companies that want to earn that kind of performance should worry about customer needs, take into account the strategies of their competitors to maintain or expand their market shares. Several indicators measure sales performance, among which we quote:

- The market share;
- The customer loyalty;
- Attracting new customers;
- Customer satisfaction;
- The profitability by segment, by customer, by product, market.

## 2.3 Service Innovation (MPESA) and Performance

Considering that the concept of Service Innovation is already New, But it's developing increasingly in the last decades because many companies actually want to innovate for to face to the real want and need of customers and satisfy them and finally deal to competitors that are thinking in the same way. That is the case of Airtel with the same service like Vodacom AIRTEL MONEY, Orange with ORANGE MONEY. Therefore, our article focusing on only the case of Vodacom with its Service MPESA.

An innovative service that allow to the subscriber to make a transfer of money safely and fast with its mobile phone.

That's why the question will be to know if this service Innovation since it was launched it has a positive impact on the company Performance. Thus, The performance that will be discussed will be more focused on the financial performance, sale and strategic performance because when Vodacom have launched that service, Firstly it was to respond to his competitor Airtel who had already launched his Service Airtel Money, then expecting to get good profitability or perfect return on investment. Secondly, the aim was to meet the aspirations of customers by satisfy them and keep their loyalty. A final reason was also about to maintain still the market share in the sector of telecommunication in Congo and especially make to this service a better Quality and well organized fast in comparison to competitors in the market

H1: There's a good quality of Service Innovation

H2: The Time Indicator of service Innovation has a positive impact on performance of Vodacom Company

H3: The inner structural organisation of Vodacom Company is good

H4: Technology of that service Innovation has positive impact on Performance of the company

H5: The service innovation in general has a positive impact on the performance company

### 3. Research Methodology

This part will be divided in two as:

The First one will explain deeply several variables take in consideration for to explain how they are in interaction between each other and different indicators related from our questionnaire

Secondly we will be focused on Quantitative and Qualitative Methods but according to our case of this article quantitative Method will be more beneficial that will help us to get good result at the end, then survey, Data collection and finally some statistics Analysis will be applied.

#### 3.1 Measure of Service Innovation (MPESA) on Performance

It's know that the principal aim of all Company is the maximization of profit. Therefore, the achievement of a positive Performance in term of sales performance or Financial was the aim of Vodacom depending on that service innovation that's why we have consider 2 variables. Performance as dependent variable and Service Innovation as our independent variable. In the following lines we will see how each variable act for to create a positive or negative impact on another.

#### 3.2 Research Frame Work and the Adaptation of Service Innovation Measurement

Our Study measure the level of Service Innovation (MPESA) in the Congolese Telecommunication Industry case of Vodacom and his impact on Performance. In the aim to get the best Result in this company, we established 12 questions that was divided in 2 whose one part was given to customers and the other part to Workers of Vodacom.

Based on those questions, some indicators allow to know if Vodacom realized good performance since the launched of MPESA in November 2012. Those indicators are profitability, Customer satisfaction, Time, quality of service, Organization and Technology.

- Profitability This Indicator one of the part of Dependent variable (Financial Performance) influence a certain level and gives a real degree of Performance in general since the launching of MPESA by Vodacom because without that it will be impossible to measure the service innovation .That why this service must be profitable for Vodacom.
- Customer satisfaction this indicator also is another part of Dependent variable (Sales Performance) help to know with precision among a number of Target Customer if they enjoy the service of MPESA. If not as competitors are using also the same service it will be easy to them to get them finally Vodacom will lose a considerable place of Market share in the Congolese telecommunication sector that he's the leader.
- Time This Indicator of service innovation shows the real time of a transaction of money. In Service Innovation like MPESA we can say that is the heart of the service because the foundation of that was built on it.
- One customer of Vodacom can compare the time of transaction with Airtel Money for example if there's any incompatibility automatically it easy for that customer to take decision and use a service for a direct competitor of Vodacom. That why Vodacom must improve it all the time if it expecting to gain a Dynamic Competitive in the market.
- Quality of Service This indicator also for service innovation is running like Time because customer judge the quality of service by the time of transaction of money and we can include also the efficacy factor inside it. Therefore, more the MPESA Service has a good quality more it will contribute to have a good impact of Performance of Vodacom.
- Technology That indicator of service innovation still is a collection of techniques, skills or methods in production of that service MPESA in the accomplishment of the unique objective of performance. That why we say Mpesa is really the technology in term of ideas. In the future when company cannot improve its technology he's calling to die simply because in current decades we're living in the world of competition. With our case of MPESA it's a part of Technology.
- Organization That indicator of service innovation help to know the int3.2 Mixed Method research The mixed method can be used in way to get better understanding of some studies like for our thesis. In order to get a reliable information and to interpret our case analysis, we decided to use quantitative and qualitative research by trying to fit on both strengths.

#### 3.3 Multiple Regression Analysis

The Regression is a statistical usually use in quantitative research in way to clarify the relation between variables. Hair and Al argued: 'the regression is used to analyze the relationship between a single variable and several independent variable "In our case in connection with our article, the independent variable is service innovation and the Performance is considered as a dependent variable of the



regression. The Multiple Regressions will be helpful by determining the linear association between Service innovation and company Performance. The main role of the Regression in result on prediction of variables, Avkiran (1995) stipulated that: "The regression analysis provide value to the independent variable in path to the predict the extent of the dependent variable. 'It mean that the value of Service Innovation must anticipate the size of Performance inside Vodacom Company.

This kind of technic is using to discover the uncorrelated to the service Innovation in order to explain the huge dimension of firm's performance variable. There are some Universal statistical procedures that we need to follow among others, (R) Is considered as coefficient of multiple determinations in the regression analysis or squared.

And Service Innovation take its totality as an independent variable can be represent by (X) Variables and Performance as dependent variable by (Y). Thus, when as an example we find the Result of (R) equal to (0) that is mean there is not relationship between Service Innovation (as an independent Variable) and the Performance (as a dependent variable). But if the values of Service Innovation (X) and the Performance (Y) Variables are high, it mean that there is a positive relationship between Service Innovation and Performance of the Company Vodacom.

### 3.4 Correlation Analysis

Steven B. Achilles (2012) stipulated that "the correlation Analysis measure the relationship between two items" we use the correlation in our Analysis to compare and to see the relationship between the service Innovation (Independent variable) and the Performance (Dependent variable). The Main specific aim in the correlation analysis study is to provide the change of Service Innovation item that will provide the change in the Company (Vodacom). The result helps us to understand the predictive capacity of several indicators in a regression analysis. The Universals principals of statistic put the coefficient of the correlation at  $\pm 1.0$ , if the coefficient result is  $+1.0$ , it mean that there is a positive correlation in the examination of analysis however, if the coefficient result is  $-1.0$  it mean that there is a negative correlation in the study analysis. In accordance of the Thesis, if the result of the coefficient is positive ( $+1.0$ ) it means that the change in Service Innovation item will provide the same change in the Performance item. In other way, if the result of the coefficient is negative ( $-1.0$ ), it means that change in the service innovation item will be in the opposite focal point of Vodacom Performance but all of them will result the same modification and in the same direction. If the correlation gets 0 as q coefficient in our analysis that mean there is not a relationship between the service innovation and Performance of Vodacom. Therefore, we have to know that the correlation analysis will show us just the relationship between the Service Innovation (X) and the Performance (Y) but not the exact reason or cause of this relationship between these two variables (X, Y).

### 3.5 Questionnaire

Questionnaire Research contributes to the analysis of the environment forces which can influence the customer perception. There are many factors which influence clients (Political, socio cultural, economic, Technological...) it can be harder and expensive to analyze each of them, which could be one of the major reason of the questionnaire in our area research. Therefore, according to Leedy and Ormod (2001), "the majority of people who receives questionnaires don't return them and those who do might be representative of the originally selected sample" 'in certain situation the responds rate of customers and the environment forces can be low, that could biased the perception of the consumers' needs and wants. In this case, Service Innovation Team and scientific researchers must pay attention on the level of respondent and the quality of the information record while the administration of the case analysis. In accordance with our thesis, questionnaires were benefit in the data collection of service Innovation in way to determine the measurement impact on Congolese telecommunication Performance (Case of Vodacom). With a large number of employees selected, we administrated by communicating with responds in different manner among others :Direct contact communication, Telephone and Interviews. The questionnaires comprised multiple choices and sent to companies' representatives who were asked to fill out give it back

### 3.6 Data Collection

Due to the big size of Democratic Rep of Congo that has 26 provinces, as researchers we selected a wide area were that service Innovation (MPESA) is more operational) such as in the region of Katanga Province, Kinshasa, BasCongo, Bandundu, Kasai Oriental Province, Kivu, And Maniema. Then we try to reach by phone the specific responsible in charge of Mpesa expect in Katanga, Kinshasa, Bas Congo and Bandundu where were personally for interview in face. For the reason of explaining deeply about our research and the importance of that. After approximately 6 months of intensive investigation a total of 125 Numbers selected together employees of Vodacom and customers at the same moment.

A total of 1000 respondents had received a questionnaire of the study but 132 did not be considered by cause of Mistakes.

Therefore 868 both of employees and customers had the possibility to give the response to the survey. 797 responses were received, giving 91.8 % as a total rate of responses. In accordance of our thesis that measure the impact of Service Innovation on Performance, we carefully design a questionnaire of 12 questions grouped in two dimensions connected as a whole among others :7 questions relative Both service Innovation and Performance were given to Employees and 5 questions focus specifically on Service Innovation were given to customers. While the investigation, Managers of the company Vodacom and all employees whom had a specific knowledge about our case analysis were identify and received a questionnaire named "The telecommunication Company Service Innovation and

Performance practices' 'In order to make successful participation, the researcher gave the possibility to all candidate selected to choose willingly the place, time and the interviews techniques (face to face or by Telephone) and we assured their anonymity. Heneman (1974) stipulated that: "When the anonymity is respected, respondents will not give the biased information" is the role of researcher to protect employees precisely for those who could show a negative aspect of the company.

After promising the confidentiality, researcher reassures them that the interview is free and they have possibility to desist at any time. We also confirm interviewees that all information took will be used for the scientific objective and will be kept by the Girne American University otherwise, nobody will have permission.

## 4. Analysis, Interpretation and Discussion of Results

### 4.1 Regression Analysis

The regression Analysis has been used in way determine the measurement level indicators in several dimensions and to determine the relationship between Service Innovation as independent Variable and Performance as the dependent Variable by using the correlation formula R and R Square.

$$R = \frac{n\sum xy - (\sum x)(\sum y)}{\sqrt{n\sum x^2 - (\sum x)^2} \sqrt{n\sum y^2 - (\sum y)^2}}$$

Here below, several tables show the statistical results of the service Innovation which influence the performance of Vodacom company and the summary of the correlation between service Innovation and Performance profitability.

**Table 1:** Measure of Service Innovation Indicators

Items	N	R	R-Square
Time	4	0.835	0.697
Quality of Service	4	0.835	0.697
Organization	4	0.904	0.817
Technology	4	0.853	0.727

**Source:** Our selve after own calculation

The previous Table shows that the highest indicator of service Innovation is the Organization which is contribute with 0.817 and the lowest results are 0.697 simultaneously both for The Indicator Time and Service because they are running still Together. However, all indicators have a very good significant contribution in general to the Service Innovation (M-PESA). In accordance to the result of the table 6 the researcher realized that the company Vodacom is focusing on Organization that have direct a good effect on service Innovation the result proof itself with the rate 81%.As we know when Vodacom decided to lunch the service M-Pesa it was in the aim of responding his Direct competitor Airtel who had the first to initiate that kind of service Innovation in the name of Airtel Money.

Then the good strategy that Vodacom used to gain a significant competitive advantage was to deal well with super dealer or Agent that are in direct contact with

customers once this parameter is well managed automatically the Organization will be in control that is helping Vodacom to deliver a service that what client is expecting to get.

Thus, Vodacom Company is doing many effort to treat his customers with considerable respect in other to attract and make them loyal to the service. Super dealers are just the Bridge between Customers and Vodacom so when that Bridge collapse directly it will affect the service M-PESA in general. That why those agents must report on time any complaining from customers about the service, then Vodacom can see how to solve the situation if not customers will taste the same service for competitors. Secondly, the result shows again that the middle rate comes from the Technology indicator with 72 % once again we can conclude that it's clear that Vodacom pay attention to the Technology and to improve it all the times according to the information received from competitors that are using also the same service like Airtel with his Airtel Money comes in second position

Then Orange with Orange Money. Without doing that in term of Market share Vodacom will leave his place as leader and others competitor will take the place. It's really a challenge in this current world of changes and technology but Vodacom does not have another choice to died or maintain still the position in the future mostly think strategically.

Finally, the table shows the same rate with the indicator Time and Quality of service 69 % because there's interdependence each other between those 2 indicators when for example the time of transaction is slow it will affect directly the quality of service and it's the same situation with when the time is fast. But with Vodacom it's taking only less than 10 seconds for a transactions and customers appreciate it in comparison with competitors the situation is not the same. That why the rate is also more than 50%.In sum as researcher we notice that as for the time of transaction is appreciable for the customer directly the service has good quality.

**Table 2:** Measure of Performance Indicators

Items	N	R	R-Square
Profitability	4	0.871	0.759
Customer satisfaction	4	0.818	0.669

**Source:** Our selve after own calculation

The previous Table shows that the highest indicator of Performance is the profitability which is contribute with 0.759 and the lowest result is Customer satisfaction with 0.669 .Therefore, all indicators have a very good significant contribution in general to the performance of Vodacom Company. IN accordance to the result of the table 7, the researcher realized again that the company Vodacom is focusing specially to realize a good performance in term of Profitability that is one of the component of Financial performance with that percentage of almost 75% it's a good sign that everything Financially is going well and as expecting when the company have lunched that service M-PESA. This is the aim or objective of all Firm in the world. But, the result shows about the second indicator Customer

satisfaction with the rate of 66%. It's not bad and that is the proof that company is paying attention to the need and want of clients. Vodacom is focusing strategies in other to grow its business activities through promoting that service M-PESA and finally realized objectives. Those strategies take in consideration the evolution of the environmental activities, which mean company is really able to adapt that service in conformity with the external environmental force, technology system etc.

in order to establish the service which correspond to its customers. Thus, Vodacom treat customers with all respect and consideration in other to attract and make them loyal to the service.

**Table 3: Summary of Service Innovation**

Service Innovation Indicators	N	Overall Mean Score	SE
Time	4	4.25	0.478
Quality of Service	4	4.25	0.478
Organization	4	4.5	0.289
Technology	4	4	0.408
Overall Mean Score		4.25	1.653

**Source:** Our self after own calculation

The mean has been used to illustrate the variation between Service Innovation indicators which will influence the performance indicators in the multiple regression analysis and to compare their differences. This table shows statistically the measurement average of all indicators included inside that variable. The highest mean score provide from Organization = 4.5 and the lowest average results from Technology. Follow by both Time and QualityService. That mean Organization has a significant standard error = 0.289, Follow by Technology = 0.408 and finally the lowest are respectively both Time and Service quality with 0.478. Therefore total mean score is 4.25 with a standard error (1.653) that mean the analysis result is reliable because that total standard error is practically smaller than the total mean average of 4.25. The result analysis in this table proof that the researcher is on the right way and will have an idea about what is happening within the Vodacom Company and what could be the matter. Service Innovation in this current decades is very crucial in the business grow, but in some areas companies have difficulties in the implementation process.

That's the case in many African local Businesses in which operators or managers don't have that capacities to think innovative all the time or cannot develop managerial Strategic to survive in the world of competition and changes if not there are calling to die in the future

**Table 4: Summary of Firm's Performance Indicators**

Performance	N	Overall Mean Score	SE
Profitability	4	3.75	0.248
Customer satisfaction	4	3.75	0.477
Overall Mean Score		3.75	0.362

**Source:** Our self after own calculation

We used the overall mean scores in the analysis of Performance scale to illustrate the variation between indicators and to compare statistically the significant differences. The Performance of Vodacom Firm was measures by using the profitability that is included in

Financial Performance and Customer satisfaction as one of the Sale Performance. So, The Analysis of the table shows that the overall mean scores of the firm performance measures was 3.75 and as constatation we see that both Profitability and customer satisfaction have the same average = 3.75. The SE represent the standard error which is the reliability in the measures of Business Performance Indicators, we have known that the measurement result of the standard error is smaller than the mean score, the result analysis is more reliable. However, when the measurement result of the standard error is bigger than the mean score, the result analysis is less reliable. In the case of Vodacom performance analysis the overall SE was 0.362, and between the two indicators the significant was noted on the profitability with 0.248. Therefore, if we want to compare the total mean result (3.75) and the overall score of the standard error (0.362) we realized that the standard error insignificant. So when can make a conclusion that the performance indicators analysis are more reliable.

This Analysis proof that the performance of Vodacom Company is more concentrate on profitability. It's true that the principle of the company once create the aim is to realize profitability but Company must focus attention also on other performances like Customer satisfaction that is included in sales performance and others kind of performances. For our specific of Vodacom it's joining that reality just it must put again intensive effort to manage those performances. That what we will make as discussions and suggestions in the following pages.

## 5. Discussion

This Research presents a comprehensive examinations of the key factor of Performance within the Vodacom Company. That Key Factor is Service Innovation and defined as comprising several indicators such as Time, Quality of Service, Technology and Organization. The Procedure of data Analysis finds out that there are significant and positive impacts of Service Innovation on Performance. In Particular, while having impact on those four indicators included in Service Innovation and direct it influence positively the indicators included in Performance (Profitability and customer satisfaction) the findings of this research contribute to the Literature on Service Innovation in two important ways. Firstly, the novel of conceptualization of Service Innovation put more attention on the Organization of the Service within the company. All was explained clearly by the good rate found after calculation of correlation Analysis. More you are managing well the Service in accordance to have a good relationship with agents that are in direct connection with customers.

More the Service is appreciable by customers just what the company should do is to improve the Quality of service that is crucial because it's running still together with the indicator Time. That is mean that in order to be still superior than competitors, Vodacom must be focus deeply on wants and needs of customers and understand their preoccupation about the service. However, this findings needs to be confirmed by extending to the other contexts. Secondly, the findings contribute to the theory of service Innovation by examining the role also of Technology indicator with the



rate of 72% automatically we can suggest that it's joining our hypothesis the really to expect the good effect on Performance Technology is playing a perfect role on implementation of service. On the other hand, this study finds that only two indicators among others of Service Innovation (Organization and Technology) contribute strongly to the performance of the company. This finding is separated from what previous literature found in Service Innovation while previous studies finds that service Innovation influence firm's Performance and competitiveness, this research is focusing on end user perception. However, the data and results are limited to Vodacom only in D.R. Of Congo and may not be able to apply to others contexts.

## 6. Conclusion and Recommendations

The research extends the service innovation literature by conceptualizing and measuring service innovation as comprising with several indicators like Time, Quality of Service, Organization and Technology. The result show that, there's significant positive impact on performance. Because by seeing just all rates of indicators, the situation is good and the highest was the Organization with almost 82 %, then Technology and the observation that we make was about Time and quality of service that are same rates because their running still together even the result was like as were expected. But Vodacom should pay attention about that in the future it can be a problem for the company and competitors will take that as opportunity to develop their strategies and compete direct with Vodacom. When Customers start to worry about the quality of service it's a bad sign for the company even the realization in term of performance is perfect. The aim is only to keep a strategic place of market share and keep still consumers loyal. This is the key of success for every Firm in the telecommunication service context where creation of superior values requires efficient provision of client's solution. Overall, the research advances the understanding of how Vodacom firm can behave in the war of extending market share by retaining and attracting customers. So, the insightful findings show a practical approach that allows practitioners to sustain, satisfy, and retain customers.

### 6.1 Problems of service innovation and performance and recommendations

In general, the Result of Service Innovation and its indicators on the performance was significant in the Vodacom Company. However, there's some irregularities that we will debate and try to solve. As we know from our Analysis with different indicators of Service Innovation (Time, Quality of Service, Organization and Technology) considering the time and Quality aspect that running together .Even all transactions of money are fast in term of time and affect directly the quality of Service positively we must recognize that there's some specific problems like:

- After deep discussions with some customers they told us that when they make transactions early morning there's seriously problem with liquidity when you want to withdraw money from the agents or super dealers it's taking long time;

Another problem is the current variation of fees per each transaction in Congolese Francs or Dollars;

- The following problem is about the limit placement of different level of account for the one who has the limit of 100000 FC for example (Almost 85 dollars) he can't make a transaction for more money that that value of its account. If not he must reopen another account with the value superior than the first one;
- The last Problem is about the falsification of the password of account that's becoming current now report customers. Faced with all previous problems listed, the solutions than we can try to give will be the following:

**Firstly** :As the specificity of the service M-PESA is about transactions of money in particularity, so Vodacom must be focus on the capacities in term of liquidities in relationship with agents or super dealers according to the first problem for to solve it because if Vodacom want to see everything go well by those indicators it must respect this recommendation that why in our results even indicators contribute well on the Performance but in comparison with the general aspect it remaining weak to the two others indicators (Organization and Technology) Customers judge the quality of service by this aspect or situation or finally competitors will take that as weakness link to the service and will develop a good system that will attract customers to them. So, Vodacom must create a good financial system adapted within the company that will be in collaboration directly with Agents or super dealers permanently then they'll not have a problem linked to liquidity.

**Secondly**: According to the Problem of variation of fees per transaction of money, Vodacom must do an effort to keep an average value for transactions that will consider a real needs of customers in comparison of their constraint.

**Thirdly**: Vodacom must create a system of standard account regarding to the Congolese Economy that is dollarized as there's diversity in term of transactions of money with customers even when the want to make transfer of great amount it will be easy and simple. In General Vodacom must create a system of account Unique and Unlimited if he wants to gain more in term of customer loyalty that will contribute also to the performance, because if Vodacom keep the same level the number of financial transactions will grow certainly in the next following 5 years.

**Lastly**: For to solve the Problem of falsification of password the simple solution is to allocate a considerable budget to the computer department to develop a specific program system that will guarantee the safety of money's clients.

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