

Customer Switching Behaviour in Telecommunication Sector with Special Reference to Vijayawada in Andhra Pradesh

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ABSTRACT

India is one of the largest mobile network in the world. Telecom industry in India is increasing every year. Usage of mobile is now made necessary device in every ones life. As the industry is increasing drastically many companies had entered the market. due to the increase of number of players the tariff rates had come down to the all time low this made the network providers to concentrate on low income population thereby increasing the market share. Day by Day public and private companies are putting their efforts to improve their services. Due to the availability of different subscriber options and tariff rates which lead the consumers to switch between service providers. Mobile Number portability allows the users to switch operators without changing their mobile number. This study focus on customer switching behavior in telecommunication sector with reference to Vijayawada, Andhra Pradesh from this very most of the respondents satisfied with the mobile portability.

Keywords: telecommunication sector, devices, company services, consumers etc.

INTRODUCTION:

Man and Communication are inseparable. Communication has different forms i.e., gestures, sign language, pictorial language etc. In ancient times, man could communicate only with those who were in front of him. Later on, he transformed it in many ways. The early stages of communication too far away people were done with the help of pigeons or man himself. This was a very risky and time taking. Moreover there was no guarantee of getting the reply immediately or maintaining the secrets. The next stage of communication owes its honour to the postal system. This brought a drastic change in human life. This was considered as the easiest and cheapest means of communication. The postal system also changed its shape and size with the time. The revolution in communication system took place after the invention of telephone by John L. Baird. With the help of the telephones, man can communicate very easily and get the required replies. This changed the man's way of life. With the changing world and technology, man invented many things such as Cell phone, Internet etc.

In the present generation mobile phone is made as a necessary requirement in the daily life. with the increasing number of mobile users in turn made new mobile manufacturing companies enter into the industry. The Telecom industry is now majorly concentrating on low income group customers by reducing the tariff plans network providers are striving hard to improve their service and reach their best to the customers.

Mobile number portability provides freedom to customers to change their existing network to new network global leader introduction of MNP has witnessed immediate response from customers Singapore was the first to provide MNP 1997 followed by many other countries. In India MNP is first introduced in metro cities and group a Telecom zones on 31st December 2009 and later on 28 March 2010 to the remaining country MNP helps the user to change the network from the existing network without any extra charge.

Scope of the Study:

1. The studies related to telecom service providers in Vijayawada region Andhra Pradesh
2. Studies conducted to know the consumer switching behaviour in telecom industry of Vijayawada
3. The study concentrates on finding the level of perception of consumers and providing suggestions to the service providers

Research Problem:

India is the third largest mobile network in the world with the increase in growth in the telecom sector. companies act no providing their best service to the customers MNP is a revolutionary change in the Telecom industry this study concentrates on the switching behaviour of customers in telecom sector.

Sampling Universe:

All the people who used mobile network are considered to be population

Sampling Technique:

Simple random sample is used to select a sample from the population to simple random sampling each and every sample in the population will have an equal chance of selection

DATA COLLECTION:

Primary Data:

Primary sources are which the researcher collects data directly from the respondents questionnaire is used as the primary data collection method

Secondary Data:

Secondary sources are the sources which are collected from existing source was published material journals newspapers etc the secondary data in the story is collected from internet and newspapers etc.

OBJECTIVES:

1. To explore the factors affecting customers switching behavior in telecommunication sector
2. To examine the attitude of customers regarding the services provided by Telecom operators
3. Total value at directors of services offered by Telecom players.

LITERATURE REVIEW IN BRIEF:

A Study on Consumer Switching Behaviour in Cellular Service Provider: A Study with reference to Chennai: Far East Journal of Psychology and Business Vol. 2 No 2, February 2011: M.Sathish, K.Santhosh Kumar, K.J.Naveen, V.Jeevanantham, they have attempted to identify the factors that affects the consumers into switching the service provider. To find the major influences that goes into the decision of purchasing a SIM card, to find the likeliness of switching the service provider. The study reveals that call rates play the most important role in switching the service provider followed by network coverage; value added service, Consumer care and advertisement which plays the least important role.

Canadian Cellular Industry: Consumer Switching Behaviour by Aneeta Sidhu (2002). The author of this paper finds out that customers with one year contract are more likely to switch. Customers find using their services as expensive. Whereas, customers who are attached to the service provider for a long time are less likely to switch. Some of the strategies have been identified like building value for the customers by providing them with better service and reliable reception.

M. Satish, K.J Naveen, V. Jeevananthan, (2011) identified the factors that influence the consumers to switch the service providers. They concluded that there is a relation between switching the service provider and the factors like poor network coverage, frequent network Problem, High call rates, influence from family and friends.

Richard Lee, Jamie Murphy (2005), explored determinants that cause mobile phone customers to transit from being loyal to switcher. They concluded that there are different factors which affect the Customers to switch from loyalty to switching intentions such as price, technical service quality, functional service quality, switching costs, etc. The result shows that price is the most important factor which affects the customers to switch loyalties to another provider.

Jessy John (2011) explored the factors that influence customer loyalty of BSNL mobile customers. A Sample of

100 consumers who have BSNL mobile services in Jaipur city were surveyed to assess the reasons behind the hard core customer loyalty even in an environment with high quality alternatives. The author recommended that BSNL mobile service enterprises should work on its problems related to servers in order to further strengthen its customer satisfaction and loyalty.

The issue of customer retention in telecommunication industry in Sri Lanka was studied by Silva, K.A (2009). The author found that the most important factor in continuing an existing service provider was the ability of the service provider to give value to the customer. This was followed by assurance and responsiveness. The least important factors were legal undertaking tangibility and payment terms.

Hitesh Parmar and Jaidip Chaudhari (2012) surveyed 100 customers from Surat City to find out the comparative analysis of customer satisfaction before and after the adoption of Mobile Number Portability. Poor network facility of the previous service provider, better sms pack from new service provider and full talk time on recharge are some of the reasons for switching from one operator to another.

Joseph and Joachim (2009) discussed switching cost and its relationship with customer retention, loyalty and satisfaction in the Nigerian telecommunication market. The author found that customer satisfaction positively affects customer retention and the switching cost affect significantly the level of customer retention.

Muzammil, Sehrish and Adnan (2010) targeted various subscribers of telecom sector in Pakistan to identify the factors affecting customer satisfaction. The results showed that both the factors have significantly contributed towards customer satisfaction but comparatively price fairness had the larger impact on customer satisfaction than customer services.

Manjeet Kaur and Amit Kumar Badgujjar (2015) observed in their study that all over the world Mobile number portability gaining lots of interest from a variable number of customers. It provides facility to new comers according to their need. Network that provides best calling plans, SMS plans, roaming plans and 3G internet services easily attracts the attention of peoples during portability process. Customers form three districts of Haryana (Jind, Rohtak and Sirsa) prefer prepaid connection. Present investigation indicates the customer perception and problems towards MNP and their level of satisfaction with mobile number portability.

Kangangi (2011) investigated the effects of introduction of mobile number portability on the Kenyan mobile telephony industry. He identified the usage factors as customer base, intensity of competition, market maturity, marketing campaigns and speed of porting.

Customer switching has become a critical issue facing mobile service firms. Customer switching refers to migration of users from one provider to another. In most service contexts, customer switching is associated with negative consequences such as declining market share and poor profitability (Keaveney, 1995).

Dhaval Motwani (2016) has found that introduction of MNP has created the great competition among all the telecom company. Hence those who fail in providing the satisfactory service will surely lose their customers now. This perfect competition scenario stands as an advantage to the customer. It is very clear that those who provide superior service in terms of network, call rate, low call drops etc will surely gain the customer and maximum customers will switch over to their network. MNP has also created a great hype and buzz in the market which will keep the service providers on their toes. Thus, in spite of the late introduction of MNP in our country, it has significantly affected the way the business is done.

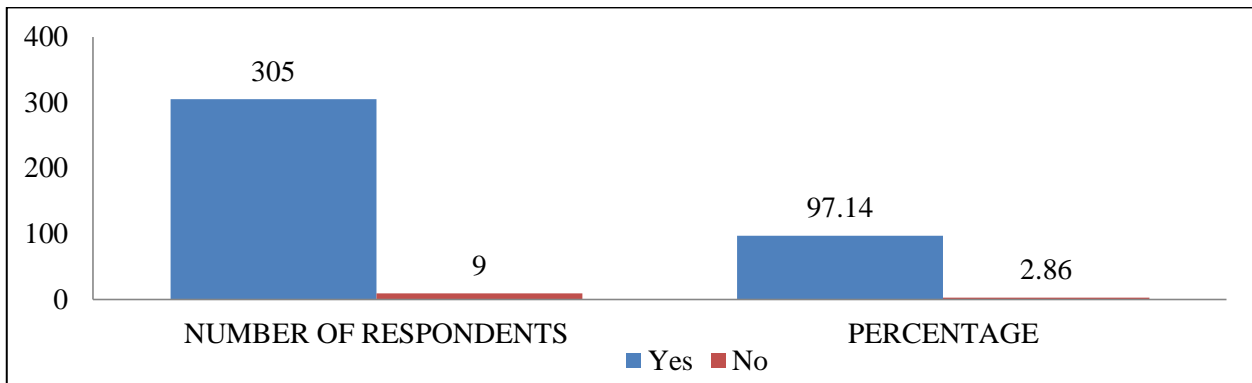
Muruganandam, D. & Gopalakrishnan, S. (2013) 63 in the study brings out subscribers preference of Mobile Number Portability (MNP) in Coimbatore city. The main objective of this study is to know the subscriber inclination and major influencing factor for preferring a particular operator. As per the study, most of the respondents are not aware about the MNP process. Also it says that the major reason for dissatisfaction is poor network scope in the city.

Table and graph showing percentage use of smart mobiles by the respondents?

Table

S.no	Ratings	Number of Respondents	Percentage
1	Yes	305	97.14
2	No	9	2.86
	Total	314	100

Chart



Interpretation:

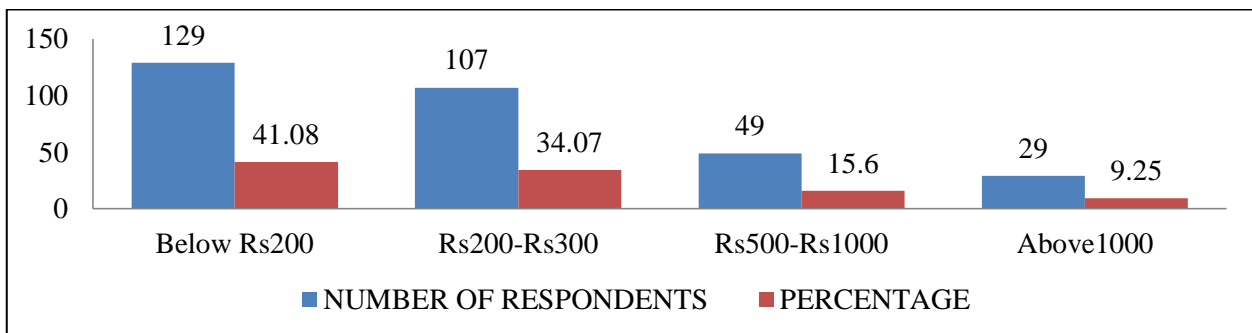
From the above table and chart it is observed that out of 314 respondents 305 respondents are using the smart mobiles and 9 respondents are not using the Smart mobile.

Table and graph showing average montly expenditure on mobile bills of a respondents?

Table

S.No	Ratings	Number of Respondents	Percentage
1	Below Rs200	129	41.08
2	Rs200-Rs300	107	34.07
3	Rs500-Rs1000	49	15.60
4	Above1000	29	9.25
	Total	314	100

Chart



Interpretation:

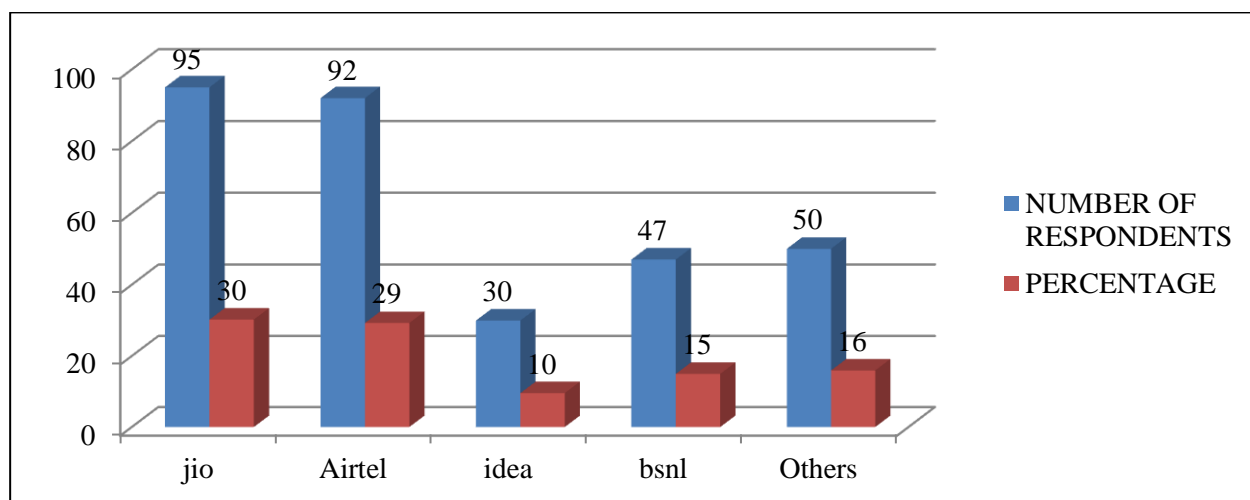
From the above chart and table it is observed that out of 314 respondents the expenditure of the respondents on bills are as follows below 200 are 129, 200-300 are 107, 500-1000 are 49, above 1000 are 29 respondents.

Table and graph showing network services that are currently used by the respondents?

Table

S.No	Company Name	Number of Respondents	Percentage
1	jio	95	30
2	Airtel	92	29
3	idea	30	10
4	bsnl	47	15
5	Others	50	16
	Total	314	100

Chart



Interpretation:

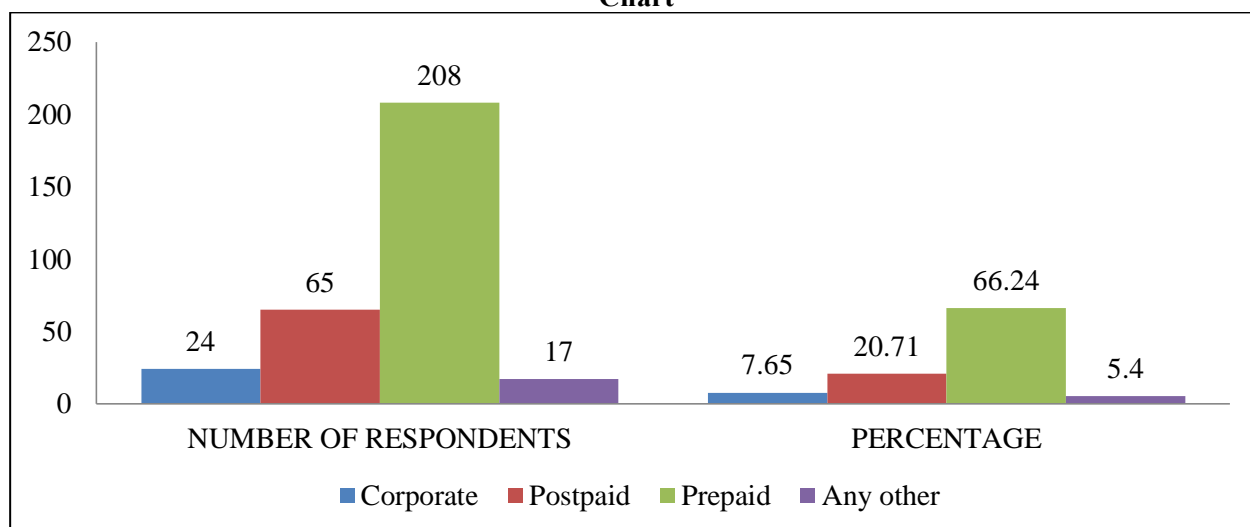
From the above table and chart it is observed that out of 314 respondents jio cellular services are used by 95 respondents, airtel cellular services used by 92 respondents, idea cellular services are used by 30 respondents, bsnl cellular services are used by 47 members, others cellular services are used by 50 respondents.

Table an graph showing that kinds of connections that are using by the respondents?

Table

S.No	Connections	Number of Respondents	Percentage
1	Corporate	24	7.65
2	Postpaid	65	20.71
3	Prepaid	208	66.24
4	Any other	17	5.40
	Total	314	100

Chart



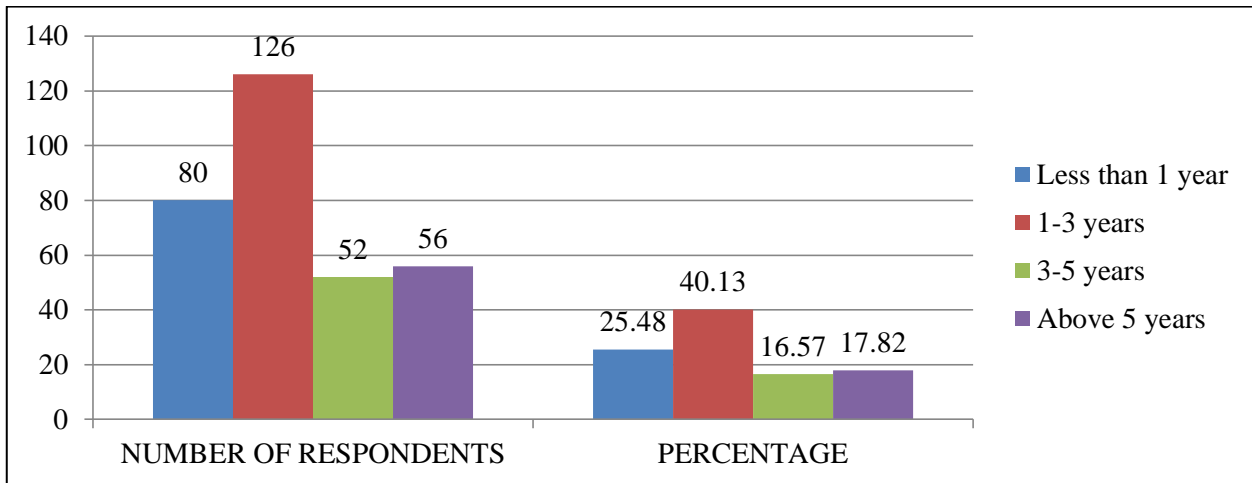
Interpretation:

From the above table and chart it is observed that out of 314, 24 respondents are use corporate connection, 65 respondents use postpaid, 208 respondents use prepaid connection, 17 respondents use other connections. Table and graph showing period of respondents in current service providers?

Table

S.No	Customer Period	Number of Respondents	Percentage
1	Less than 1 year	80	25.48
2	1-3 years	126	40.13
3	3-5 years	52	16.57
4	Above 5 years	56	17.82
	Total	314	100

Chart



Interpretation:

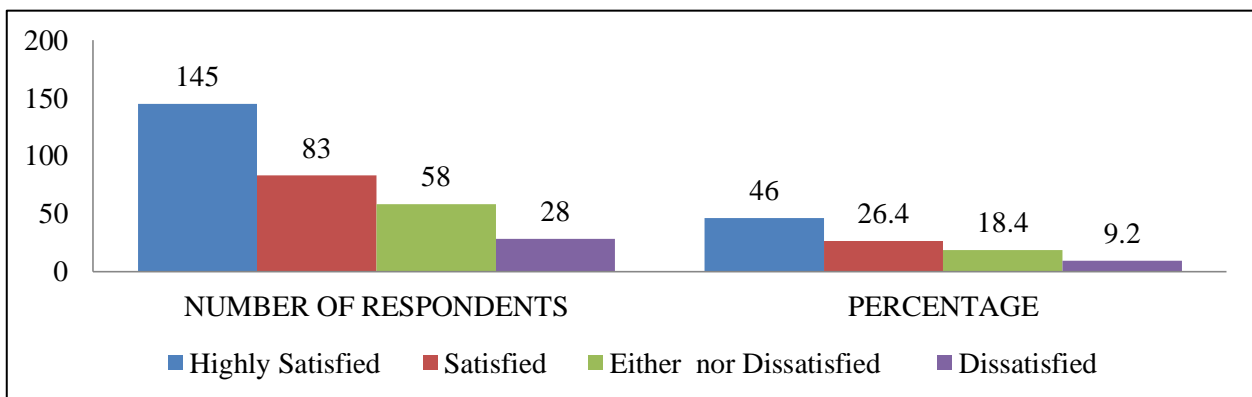
From the above table and chart it is observed that out of 314 respondents, period of consumers in current service provider for less than 1 year is 80 , 126 are 1-3 years, 52 are 3-5 years, 56 are above 5 years.

Table and graph showing respondents satisfaction level on customer service centers?

Table

S.No	Ratings	Number of Respondents	Percentage
1	Highly Satisfied	145	46
2	Satisfied	83	26.4
3	Either nor Dissatisfied	58	18.4
4	Dissatisfied	28	9.2
	Total	314	100

Chart



Interpretation:

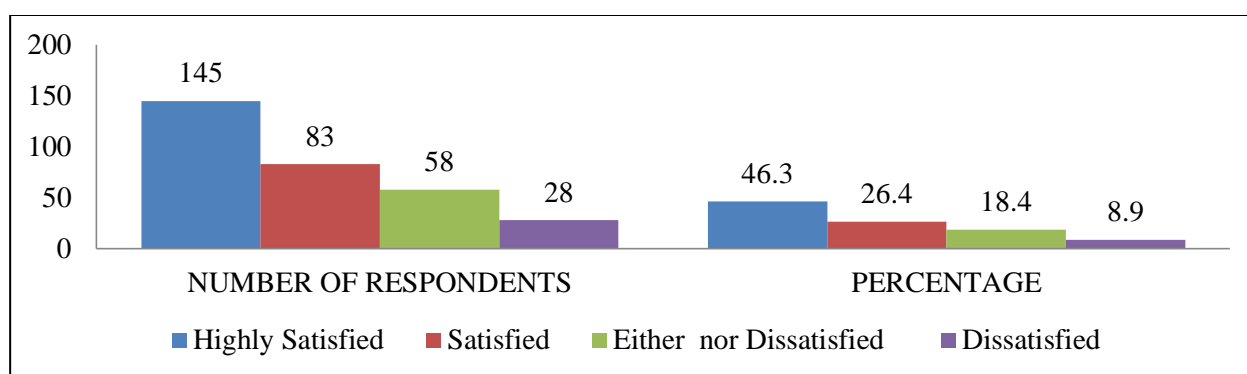
From the above table and chart it is observed that out of 314 respondents, 145 respondents are highly satisfied with customer service centers, 83 are satisfied, 58 are neutral and 28 are dissatisfied.

Table and graph showing satisfaction level of respondents with network coverage?

Table

S.No	Ratings	Number of Respondents	Percentage
1	Highly Satisfied	145	46.3
2	Satisfied	83	26.4
3	Either nor Dissatisfied	58	18.4
4	Dissatisfied	28	8.9
	Total	314	100

Chart



Interpretation:

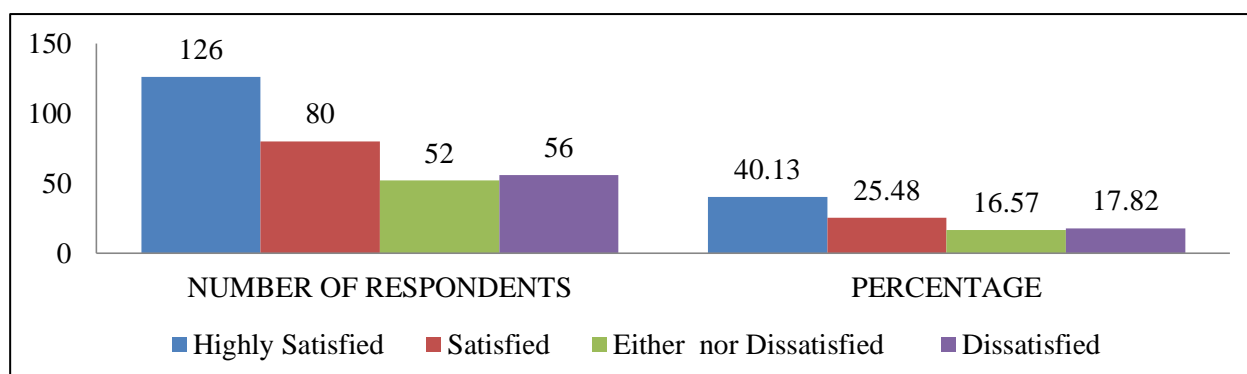
From the above table and chart it is observed that out of 314 respondents, 145 respondents are highly satisfied with network coverage, 83 are satisfied, 58 are neutral and 28 are dissatisfied with network coverage.

Table and graph showing respondents satisfaction level with overall experience of current service provider?

Table

S.No	Ratings	Number of Respondents	Percentage
1	Highly Satisfied	126	40.13
2	Satisfied	80	25.48
3	Either nor Dissatisfied	52	16.57
4	Dissatisfied	56	17.82
	Total	314	100

Chart



Interpretation:

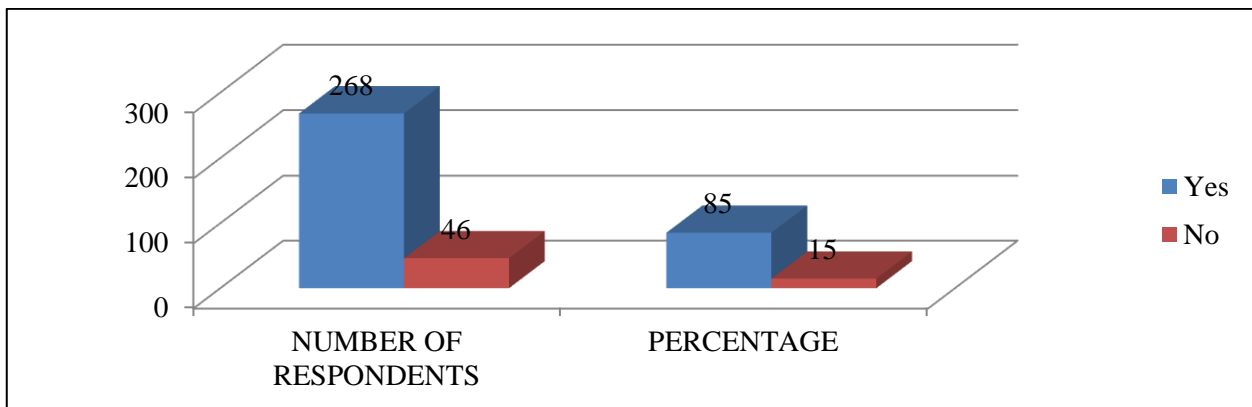
From the above table and chart it is observed that out of 314 respondents, 126 respondents are highly satisfied, 80 are satisfied, 52 are neutral and 56 are dissatisfied with overall experience with service provider.

Table and graph showing respondents aware of recent implementation of mobile number portability?

Table

S.No	Ratings	Number of Respondents	Percentage
1	Yes	268	85
2	No	46	15
	Total	314	100

Chart



Interpretation:

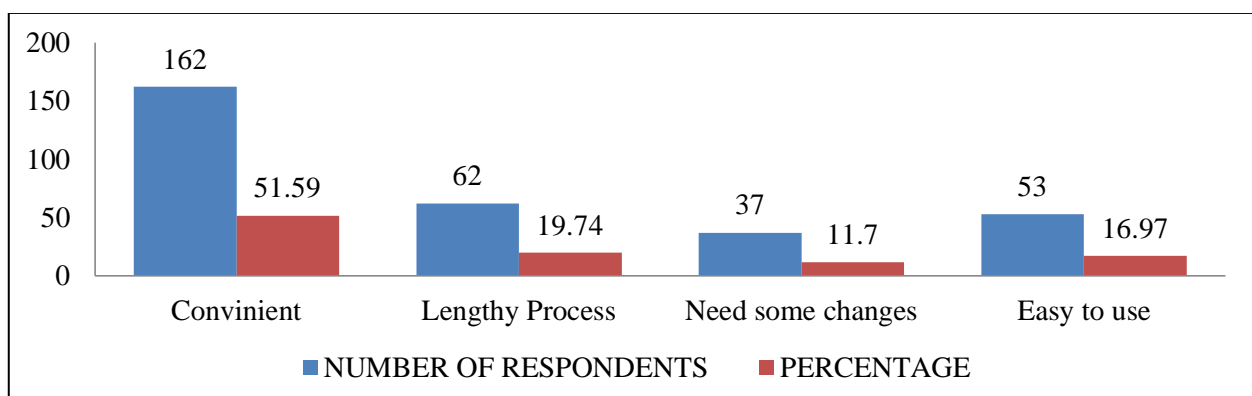
From the above table and chart it is observed that out of 314 respondents, 268 respondents are aware of Mobile Number Portability and 46 respondents are not aware

Table and graph showing feeling of respondents about MNP process?

Table

S.No	Feeling of Customers	Number of Respondents	Percentage
1	Convenient	162	51.59
2	Lengthy Process	22	19.74
3	Need some changes	35	11.7
4	Easy to use	95	16.97
	Total	314	100

Chart



Interpretation:

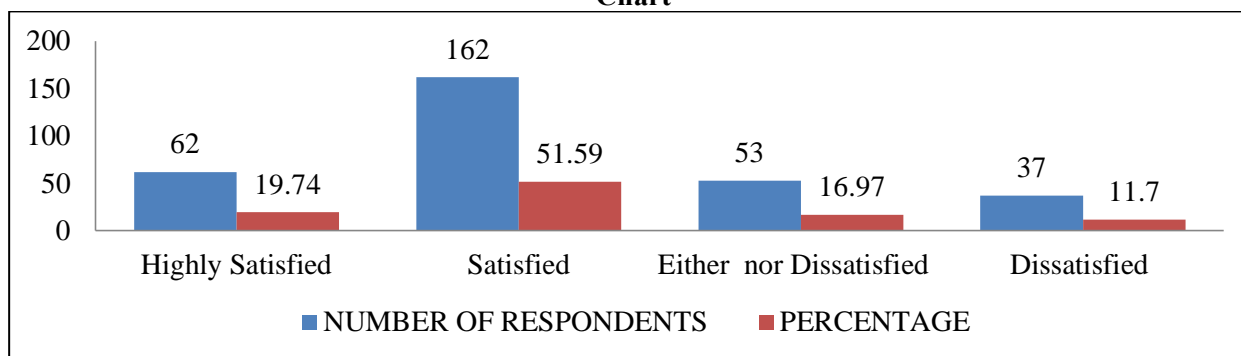
From the above table and chart it is observed that out of 314 respondents, 162 respondents feel that MNP is a convenient process, 62 feel as lengthy process, 37 feel that it need some change and 53 feel that it is easy to use.

Table and graph showing consumer satisfaction with minimum switching period through MNP?

Table

S.No	Ratings	Number of Respondents	Percentage
1	Highly Satisfied	62	19.74
2	Satisfied	162	51.59
3	Either nor Dissatisfied	53	16.97
4	Dissatisfied	37	11.7
	Total	314	100

Chart



Interpretation:

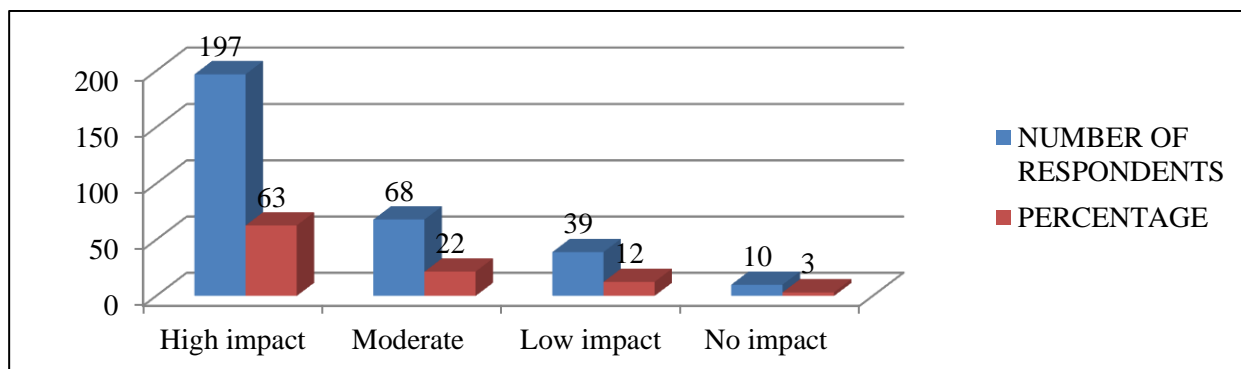
From the above table and chart it is observed that out of 314 respondents, 62 respondents are highly satisfied, 162 are satisfied, 53 are neutral and 37 are dissatisfied with minimum switching period in MNP

Table and graph showing impact of MNP on Quality of service provided by the network provider.

Table

S.No	Ratings	Number of Respondents	Percentage
1	High impact	197	63
2	Moderate	68	22
3	Low impact	39	12
4	No impact	10	3
	Total		

Chart



Interpretation:

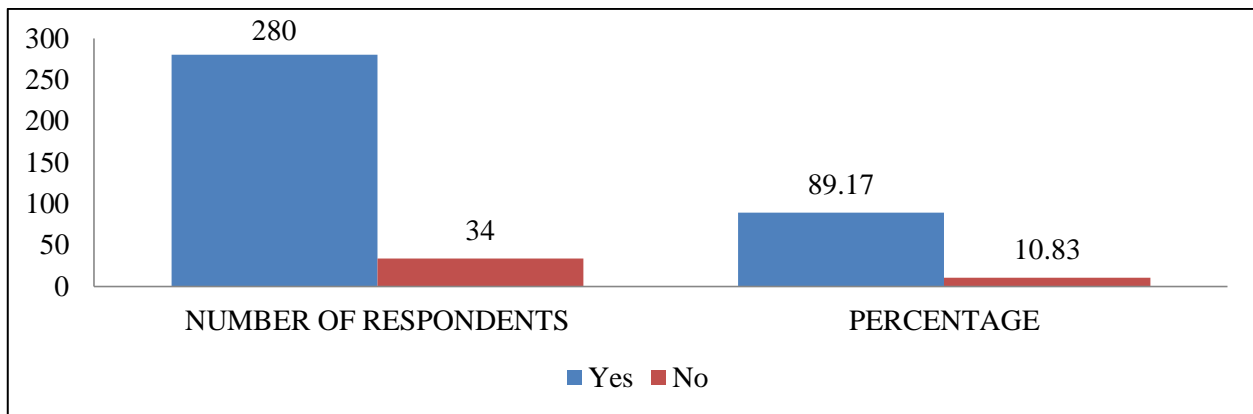
From the above table and chart it is observed that out of 314 respondents, 197 respondents say that MNP shows high impact on quality of service, 68 respondents say MNP has moderate impact, 39 and 10 respondents say that MNP has low and no impact.

Table and graph showing consumer experiment by changing the operator

Table

S.No	Ratings	Number of Respondents	Percentage
1	Yes	280	89.17
2	No	34	10.83
	Total	314	100

Chart



Interpretation:

From the above table and chart it is observed that out of 314 respondents, 280 respondents make an experiment with MNP and 34 are not.

FINDINGS:

- Maximum no of respondents core objective of having mobile phone is to be in touch with friends and family followed by official purpose.
- There is an almost equal market share of JIO and AIRTEL followed by IDEA,BSNL and others.
- Smart phones are utilized more by the respondents.
- Maximum no of respondents are satisfied with their current mobile service provider equally followed by highly satisfied and neutral.
- Most of the respondents perceives mobile portability as a convenient process. In addition to this, minimum of the respondents found it as a easy way to shift to the most user friendly mobile service provider.
- Majority of the respondents agreed with the fact that MNP has a powerful impact on its service quality & companies now lay more focus on its quality improvement.
- Majority of the respondents are using prepaid services.
- Majority of the respondents used MNP services as an experiment.
- Majority of respondents are very much satisfied with the switching period in MNP.

SUGGESTIONS:

- Operator should more focus on maximizing the relevance of subscribers profile, interest, prepaid balance, past behavior.
- Network operators should offer long term benefits staggered over a period of time.
- It is clear that different groups have different switching behavior , age, gender, marital status and brand have significant dependency on those who switch.
- Customer care service need to be updated by providing extra options to customers.
- Operator should give the advertising on TV. Radio, newspaper with attractive packages. Which leads to use MNP.
- In high competitive market operator should provide discount offer and value added pack which help win back the subscribers.
- More focus is also needed to create awareness on MNP.

CONCLUSION:

Information technology has brought tremendous changes in the present socio-economic environment. The telecommunication services in India have increased share. The importance for mobile services in India is increasing substantially. The entry of private sector in the field of communication industry has intensified the competition. Therefore, the knowledge of “what the customer thinks” and “what consequently would contribute to his satisfaction”, is at the requirement of the marketer. Telecommunication sector is getting in to new shape day by day. Technology is going on updating in the field of telecommunication.

I have found that the Major factors for the choosing a mobile service provider are call rate and network service quality. In the era of Mobile Number Portability most of the respondents are still satisfied or else having the neutral response with their current mobile service provider.

I have found that the respondents are having positive perception towards mobile network service providers as well as mobile number portability because they think that mobile number portability will improve the quality of service offered by the mobile network service provider.

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