

A Study on Customer Experience and its Relationship with Repurchase Intention among Telecom Subscribers in Coimbatore District

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ABSTRACT

Today, the organizations need customers more than the customer needs the organization. Nearly nine out of ten customers says that they will switch after a single bad experience. More than 50% of the organizations redirect their investments in building positive customer experience. Building positive customer experience needs to gain in-depth knowledge about customers from all customer touch points and channels across the entire organization. This paper has attempted to study the customer experience at different touch points in telecom sector like customer care, service delivery, store, network, billing, etc and their repurchase intention. Also it attempted to study about the usage pattern, preference and the relationship between customer experience dimensions and the repurchase intention among the telecom subscribers of Coimbatore district. Data were collected from the telecom subscribers of Coimbatore district using structured questionnaire and analyzed using percentage analysis, multiple response analysis, weighted average ranking analysis and correlation analysis. Results reveal that the telecom customers are mostly reluctant in sticking to one particular service and the network experience, service delivery experience and store experience were found to have highly correlated with the repurchase intention. Various touch points of telecom sector are identified and customer experience at those touch points are studied, however future researchers can identify the major touch points and conduct an in-depth study of those touch points and their impact on repurchase intention. The study can be carried out using different analytical tools like regression analysis, AMOS, etc.

Keywords: Customer Experience, Repurchase Intention, Telecommunication, Network Experience.

INTRODUCTION:

Customer Experience is the customer's perception of how the organization treats them. This customer's perception affects customer's behavior like customer loyalty, word of mouth, repurchase intention and so on. If the customers like the company and continue to like, they do the business again and again with the company and recommend to the others. On the other hand, if they have bad experience, it will result in customer churn. Esteban Kolsky claims that "67% of customers mention bad experiences as a reason for churn, but only 1 out of 26 unhappy customers complain. The rest, they just leave".

To make the customers like the company, the company should know their customers very well to deliver personalized experiences. The company's intent to deal the customer experience is the key success factor of any business and also this is the one way in which companies can differentiate itself from their competitors. The starting point for delivering positive customer experience is the touch points where the organization directly or indirectly contacts the customer.

The telecom sector is the epicenter for growth and innovation of any industry. India has emerged as the 2nd largest telecom market and ranked 3rd with regard to number of internet users in the world (www.ibef.org, April

2018). The telecom industry is facing challenging times after the launch of Jio as it has disturbed the current landscape of telecom sector. No industry has faced such an exponential increase in penetration and fall in revenues. The rising complications in the telecom sector have brought new challenges for service providers looking out to increase their revenues. Focusing on the customer has become critical factor to achieve this goal.

REVIEW OF LITERATURE:

David Havir (2017) summed up the researches on customer experience, compared the various dimensions of customer experience explained in seven conceptual models and findings from 17 research projects carried out after the year 2010. Finally, the dimensions and the factors described in the researches and also the similarities found in them were grouped into several groups with the aim of solving the fragmentation issue.

Preethi Subramanian and Dr.Sellappan Palaniappan (2016) explored the various factors that affect customer experience in the telecom industry by performing confirmatory factor analysis. Data was collected from 518 mobile customers in Malaysia through structured questionnaire. Random sampling method was adopted to collect data by using touch point survey technique and snowball sampling technique. The tools used for analysis includes Statistical Packages for Social Sciences SPSS 21 and Analysis of Moment Structure AMOS 21. The study concludes that factors like pricing of the operator, billing issues, indoor and outdoor network coverage, signal quality, call and data connectivity, value as a customer, friendly customer care, knowledgeable and responsive customer care, proud to use a brand, brand image and positive publicity of the brand determines the customer experience in Telecom industry.

Domb et al (2016) tried to find the determinants of customer experience for telecom operators in Indian Telecom Industry. A yardstick called ACEI score was defined to quantify customer experience in Telecom industry. A conceptual framework was proposed to facilitate the Communication Service Providers to improve the total customer experience in all the touch points of the customer's journey with the network operator. Data was collected from more than 5000 respondents in 36 centers all over India. Questionnaire method was used for data collection. Pilot study was done with 166 respondents. The study confirmed that there are six main determinants for customer experience in telecom industry which includes network experience, service delivery experience, customer care experience, brand image, billing experience, store/gallery and website/self service experience. Also the study identified that the network experience has the highest impact on customer experience explaining about 51.480% of the total variance in customer experience, followed by service delivery experience explaining about 6.453% of the total variance in customer experience, third is the customer care experience explains about 4.974% of the total variance in customer experience, fourth is the brand image explains about 4.478% of the total variance in customer experience, fifth is the billing experience 3.233% and last is the store/gallery/web/self service explains about 2.635% variance in customer experience.

Dey et al (2016) identified and ranked the antecedents necessary for building positive customer experience in Indian Telecom Industry. Questionnaire method was used for data collection. Descriptive statistical tools like mean and standard deviation were used for analysis. The respondents of the study were customers of BSNL. Anyone who uses prepaid, post paid, broadband or landline services of BSNL were included. The sampling area was the Raipur region. Simple random sampling method was used for data collection. The researcher had taken fifteen antecedents of customer experience from literature reviews and ranked those antecedents based on the mean score obtained. Service quality was ranked first with the mean score of 4.13, next comes Customization (4.01) followed by Marketing Mix (3.92), Service Process (3.87), Speed (3.81), Technology (3.75), Telepresence (3.67), Affordability (3.65), Employees (3.62), Online Services (3.57), Convenience (3.46), Trust (3.37), Physical Environment (2.96), Influence of other customers (2.89) and Emotional aspect (2.84).

There are various studies on antecedents of customer experience in telecom sector but there are no studies about the impact of customer experience on its behavioral outcome like repurchase intention in telecom sector, so this research study is undertaken with the following objectives.

OBJECTIVES OF THE STUDY:

- 1.To know the demographic profile and usage pattern of the telecom subscribers, and identify their preference towards various cellular service providers.
- 2.To find the current state of customer experience and the behavioral outcome repurchase intention among the telecom subscribers in Coimbatore district.
- 3.To identify the relationship between customer experience dimensions and the behavioral outcome repurchase intention.

The Proposed hypotheses of the study are;

H1: There is an association between Brand Image (BI) dimension of customer experience and repurchase intention in telecom sector.

H2: There is an association between Service Delivery Experience (SDE) and repurchase intention in telecom sector.

H3: There is an association between Network Experience (NE) and repurchase intention in telecom sector.

H4: There is an association between Customer Care Experience (CCE) and repurchase intention in telecom sector.

H5: There is an association between Store Experience (SE) and repurchase intention in telecom sector.

H6: There is an association between Billing Experience (BE) and repurchase intention in telecom sector.

H7: There is an association between Website/Self service Experience (WSE) and repurchase intention in telecom sector.

RESEARCH METHODOLOGY:

The study is descriptive in nature. Primary and secondary data were collected. Questionnaire was used as a source of primary data and secondary data was obtained from newspapers, magazines, websites and books. The population of the study was the telecom customers of Coimbatore district. A sample of 114 respondents participated in the study. Convenience sampling method was used for the collection of primary data through survey method. The questionnaire used for the study was divided into three parts. First part includes questions related to the demographic profile of the respondents and the second part includes the respondent's opinion of their experience about different determinants of customer experience in telecom sector like brand image, service delivery experience, network experience, customer care experience, store experience, billing experience and web internet / self service. The third part includes respondents opinion about the repurchase intention. The respondents had given their opinion in a five point Likert Scale (5-Strongly Agree, 4-Agree, 3 – Neutral, 2 – Disagree, 1 – Strongly Disagree).

ANALYSIS AND DISCUSSION:

Statistical package for Social Sciences (SPSS) is used for analyzing the data collected. Tools used for analysis includes percentage analysis, multiple response analysis, weighted average analysis, chi-square analysis, correlation analysis.

Reliability Analysis:

Reliability of the variables was tested using Cronbach's Alpha test of Reliability. The results are shown in table 1. All the variables had α value greater than 0.7 which depicts the reliability coefficient value at the acceptance level (Nunnally, 1978) ensuring that the items pertaining to scale were internally consistent and can be used to measure the proposed phenomena.

Table 1: Reliability analysis – Constructs and their Cronbach's alpha value

Constructs	Cronbach's Alpha	Number of Items
Brand Image	0.765	4
Service Delivery Experience	0.808	7
Network Experience	0.824	6
Customer Care Experience	0.877	5
Store Experience	0.852	5
Billing Experience	0.726	4
Website/Self service Experience	0.871	4
Repurchase Intention	0.826	6

Simple Percentage Analysis:

The demographic profiles of the respondents included in the study are age, gender, marital status, education, profession and monthly income. The distribution is tabulated in table 2. This is the primary step in the data analysis and this gives an overview of the characteristics of the respondents used in the study.

Table 2: Demographic profile of the respondents

S.No	Demographic variable	Group	No of Respondents	Percentage of Respondents
1	Age(years)	Upto 20	14	12.28
		21 – 30	57	50
		31 – 40	26	22.82
		41 – 50	13	11.4
		Above 50	4	3.5
		Total	114	100.0
2	Gender	Male	76	66.67
		Female	38	33.33
		Total	114	100.0
3	Marital status	Married	59	51.75
		Unmarried	55	48.25
		Total	114	100.0
4	Education	12 th & Below	6	5.26
		Diploma	20	17.54
		UG	62	54.39
		PG & Above	26	22.81
		Total	114	100.0
5	Profession	Student	26	22.81
		Housewife	5	4.39
		Business	21	18.42
		Government Employee	0	0
		Private company Employee	53	46.49
		Others	9	7.89
		Total	114	100.0
6	Monthly Income (Rs)	Upto 10000	38	33.33
		10001 – 20000	33	28.95
		20001 – 30000	10	8.77
		30001 – 40000	17	14.91
		Above 40000	16	14.04
		Total	114	100.0

Table 2 shows that the majority of the respondents (50%) are in the age group of 21 to 30 years, 66.67% of the respondents are male, 51.75% of the respondents are married, 54.39% of the respondents are having their educational qualification as under graduation, 46.49% of the respondents are working in private company, 33.33% of the respondents are having their monthly income up to Rs 10000.

Usage Pattern of the Respondents:

The respondents are asked to give their usage pattern of their cellular service details like number of cellular service used, attitude towards owing a cellular service, frequency of changing the cellular service provider, type of connection used, 4G network used for the internet service, number of years of using the cellular service, spending per month for internet, the cellular service preferred by the respondents when given with the mobile portability option. The results are tabulated in Table 3.

Table 3: Usage pattern of the respondents

S.No	Usage Pattern	S.No	Response	Frequency	Percentage
1	Number of cellular service used by the respondents	1	1	41	36.0
		2	2	67	58.8
		3	3	6	5.3
		Total		114	100.0

S.No	Usage Pattern	S.No	Response	Frequency	Percentage
2	Attitude towards owing a cellular service	1	Necessity	103	90.4
		2	Luxury	2	1.8
		3	Status	2	1.8
		4	Compulsion	7	6.1
		Total		114	100.0
3	Frequency of changing the service provider	1	Often	5	4.4
		2	Sometimes	53	46.5
		3	Never	56	49.1
		Total		114	100
4	Type of Connection used by the respondents	1	Prepaid	84	73.7
		2	Postpaid	30	26.3
		Total		114	100.0
5	4G network used by the respondents	1	Airtel	47	41.23
		2	Vodafone	19	16.67
		3	Idea	4	3.5
		4	Jio	44	38.60
		Total		114	100.0
6	Usage of the cellular service in years	1	Less than 1 year	31	27.2
		2	1 to 3 years	47	41.2
		3	4 to 6 years	18	15.8
		4	7 to 9 years	8	7.0
		5	10 years and above	10	8.8
		Total		114	100.0
7	Spending per month for Internet	1	Upto 200	35	30.7
		2	201-400	48	42.1
		3	401-600	25	21.9
		4	601-800	4	3.5
		5	Above 800	2	1.8
		Total		114	100.0
8	Network preferred by the respondents	1	Airtel	46	40.35
		2	Vodafone	16	14.04
		3	Idea	10	8.77
		4	BSNL	20	17.54
		5	Jio	22	19.30
		Total		114	100.0

Respondents are asked to give details regarding the number of cellular services they are holding currently, table 3 shows that 36% of the respondents are having single cellular connection, 58.8% of the respondents are having two cellular connections and 5.3% of the respondents are having three cellular connections. When asked about the attitude towards owing a cellular service, 90.4% of the respondents had agreed that they are holding cellular service for necessity, 1.8% of the respondents for luxury, 1.8% of the respondents for status and 6.1% of the respondents for compulsion. Regarding the frequency of changing the cellular service, 4.4% of the respondents have agreed that they would change the cellular service often, 46.5% of the respondents told that they would change the cellular service sometimes and 49.1% of the respondents had given that they would never change the cellular service. As far as the type of connection used by the respondents, majority of the respondents 73.7% are using prepaid connection and 26.3% of the respondents are using postpaid connection. Network analysis shows

that 41.23% of the respondents use Airtel for their 4G service, 16.67% of the respondents uses Vodafone, 3.5% of the respondents uses Idea and 38.6% of the respondents uses Jio for their 4G service. With regard to the number of years of usage of the cellular service, 27.2% of the respondents are using for less than 1 year, 41.2% of the respondents are using between 1 and 3 years, 15.8% of the respondents are using for 4 to 6 years, 7% of the respondents are using for 7 to 9 years and 8.8% for 10 years and above. Responses related to the amount spent per month for internet shows that 30.7% of the respondents spends upto rs 200, 42.1% of the respondents spends between rs 201 and 400, 21.9% of the respondents spends between rs 401 and 600, 3.5% of the respondents spends between rs 601 and 800 and 1.8% of the respondents spends above rs 800 for internet. Respondents are asked to mention their preferred cellular service provider when given the mobile portability option. Results shows that 40.35% of the respondents prefer Airtel, 14.04% of the respondents prefer Vodafone, 8.77% of the respondents prefer Idea, 17.54% of the respondents prefer BSNL and 19.30% of the respondents prefer Jio.

Weighted Average Rank Analysis:

In order to analyze the order of preference towards different cellular service providers, weighted average analysis was used. The respondents are asked to rank the different cellular services based on their preference. The results are shown in the table 4.

Table 4: Ranking of the service providers

Service Providers	Ranking given by respondents						Weighted average	Rank
	1	2	3	4	5	6		
Airtel	43	29	30	3	2	3	539	1
Vodafone	19	29	29	11	5	2	420	2
Idea	3	8	9	15	38	11	226	5
BSNL	12	14	15	24	11	7	303	4
Tata Docomo	1	0	2	5	19	55	122	6
Jio	30	18	12	24	5	4	404	3

Respondents had given first rank to Airtel, second rank to Vodafone, third rank to Jio and last rank to Tata Docomo.

Multiple Response Analysis:

Respondents are asked to give their multiple responses for the different cellular service providers based on the number of cellular service used by them and the results are tabulated in table 5

Table 5: Multiple Response Analysis

Service providers	Number	Percentage
Airtel	68	35.4
Vodafone	48	25
Idea	9	4.7
BSNL	13	6.8
Tata Docomo	1	.5
Jio	53	27.6
Total	192	100.0

Dichotomy group tabulated at value 1

From table 5, it can be inferred that Airtel (35.4%) is the most used cellular service by the respondents, Jio (27.6%) is the second most used cellular service and Vodafone (25%) is the third most used cellular service.

Current state of Customer Experience and Repurchase Intention:

To find the current state of the variables customer experience and repurchase intention, the mean, standard deviation, minimum value and maximum value of the variables are taken. Respondents are grouped under three heads low, medium and high.

Table 6: Current state of Customer Experience and Repurchase Intention

Variable	Current State	No of Respondents	Percentage
Customer Experience	Low	14	12.3
	Medium	76	66.6
	High	24	21.1
	Total	114	100.0
Repurchase Intention	Low	23	20.2
	Medium	77	67.5
	High	14	12.3
	Total	114	100.0

Table 6 reveals that 12.3% of the respondents have given their current state of customer experience to be low, 66.6% of the respondents to be medium and 21.1% of the respondents to be in the high state. 20.2% of the respondents have given their current state of repurchase intention to be low, 67.5% of the respondents to be medium and 12.3% to be in the high state.

Correlation Analysis:

Correlation analysis is the method used to know the association between the variables with respect to all the dimensions used in the study. To find the association between various dimensions of customer experience and repurchase intention, correlation analysis was carried out and results are tabulated as below

Table 7: Correlation Analysis

Constructs		BI	SDE	NE	CCE	SE	BE	WSE	RI
BI	Pearson Correlation	1	.539**	.554**	.572**	.555**	.301**	.490**	.399**
	Sig. (2-tailed)		.000	.000	.000	.000	.001	.000	.000
	N		114	114	114	114	114	114	114
SDE	Pearson Correlation		1	.499**	.548**	.587**	.363**	.327**	.510**
	Sig. (2-tailed)			.000	.000	.000	.000	.000	.000
	N			114	114	114	114	114	114
NE	Pearson Correlation			1	.413**	.505**	.430**	.464**	.495**
	Sig. (2-tailed)				.000	.000	.000	.000	.000
	N				114	114	114	114	114
CCE	Pearson Correlation				1	.508**	.270**	.298**	.406**
	Sig. (2-tailed)					.000	.004	.001	.000
	N					114	114	114	114
SE	Pearson Correlation					1	.381**	.512**	.546**
	Sig. (2-tailed)						.000	.000	.000
	N						114	114	114
BE	Pearson Correlation						1	.368**	.421**
	Sig. (2-tailed)							.000	.000
	N							114	114
WSE	Pearson Correlation							1	.395**
	Sig. (2-tailed)								.000
	N								114
RI	Pearson Correlation								1
	Sig. (2-tailed)								
	N								

** . Correlation is significant at the 0.01 level (2-tailed)

Table 7.1: Ranking table for Correlation analysis between dimensions of Customer Experience and Repurchase Intention

Hypothesis	Description	R Values	P Value	Rank	Result
H5	Store Experience – Repurchase Intention	.546**	.000	1	H5 Supported
H2	Service Delivery Experience – Repurchase Intention	.510**	.000	2	H2 Supported
H3	Network Experience – Repurchase Intention	.495**	.000	3	H3 Supported
H6	Billing Experience – Repurchase Intention	.421**	.000	4	H6 Supported
H4	Customer Care Experience – Repurchase Intention	.406**	.000	5	H4 Supported
H1	Brand Image – Repurchase Intention	.399**	.000	6	H1 Supported
H7	Web/Self service Experience – Repurchase Intention	.395**	.000	7	H7 Supported

There is a highest positive correlation ($r=0.546$; $p<.01$) between store experience and repurchase intention, the next highest positive correlation ($r=0.510$; $p<.01$) between service delivery experience and repurchase intention and third highest positive correlation ($r=0.495$; $p<.01$) between network experience and repurchase intention, followed by billing experience ($r=0.421$, $p<.01$), customer care experience ($r=0.406$; $p<.01$), brand image ($r=0.399$; $p<.01$) and web/self service experience ($r=.0395$; $p<.01$).

FINDINGS AND CONCLUSION:

From this study, it is concluded that majority of the respondents (58.8%) are using two cellular services simultaneously, prepaid users are more in number than postpaid users, most of the respondents are using the cellular connection for necessity, nearly half of the respondents are changing their service provider sometimes. Though more percentage of respondents (38.6%) are using Jio cellular service for their 4G connection, when asked about their preferred network, only less percentage (19.3%) of the respondents have preferred Jio network. This might be due to the free offers declared by the Jio service. Most of the respondents prefer Airtel service which is very clear from ranking analysis followed by Vodafone and Jio. Hence, the usage pattern of the respondents shows that the telecom customers are mostly reluctant in sticking to one particular service. In this situation, concentrating on customer experience strategies would definitely help telecom operators to achieve their target.

Only 21.1% of the respondents are found to have their level of customer experience to be high, remaining 78.8% of the respondents are found to be in either medium or low level of customer experience. 12.3% of the respondents are found to have high level of repurchase intention, remaining 87.7% of the respondents are found to have either medium or low level of repurchase intention. Telecom operators of Coimbatore district should concentrate on coping strategies to convert those respondents who are in low and medium level of customer experience and repurchase intention to high level to improve their profitability. Network experience, service delivery experience and store experience are found to have highly correlated with the repurchase intention, so operators could concentrate more on these determinants to improve the repurchase intention of the customers.

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