



CUSTOMER PERCEPTION TOWARDS MOBILE OPERATORS (A Study undertaken in Visakhapatnam, Andhra Pradesh)

Dr.M.Jyothsna* Dr. S. Mahalakshmi**

*Associate Professor, GITAM Institute of Management, GITAM, University, Visakhapatnam.

**Assistant Professor, GITAM Institute of Management, GITAM University, Visakhapatnam.

Abstract

This study is undertaken with a view to know the brand preference while choosing particular cellular service provider in Visakhapatnam city. A descriptive study was conducted to achieve the objectives of the research. In total 200 respondents have filled a well-structured questionnaire with open-ended questions and statements pertaining to the factors that affect the consumers in selecting the mobile operating brand. The results revealed that all the core factors which are considered in this research (tariff rates, service quality, service availability, promotions and brand image) have a significant influence on the customers. Likert's five point scale has been developed and incorporated in the questionnaire to measure the overall perception of the customers towards mobile service operators based on the above mentioned five factors. Some of the statistical tools used were Weighted Average scores and Anova test it was proved that promotions have the most significant influence in selection of the mobile operating brand.

Keywords: Customer Perception, Tariff Rates, Service Quality, Service Availability, Promotions and Brand Image.

1. INTRODUCTION

The Indian telecommunication sector has witnessed tremendous growth over the past two decades. Today, the telecom network of India is the second largest in the world after China. With the arrival of the private telecommunication companies in India the industry has seen immense induction of the mobile phones in the industry which resulted in the rapid growth of the mobile network industry so as to move along with the cellular technology. The liberal policies laid by the government and the involvement of the private sector have played an important role in transforming the telecom sector. In the recent years in all respects of industrial growth due to liberalization in Government policies after 1991 and the removal of restrictions on foreign capital investment and industrial de-licensing has allowed various private players to enter into the Indian telecommunication market. The Indian telecom market is regulated by Telecommunication Regulatory Authority of India (TRAI) which acts as an independent regulator and was set up in 1997 by the Indian Government. Despite several controversies, the TRAI has earned a reputation for transparency it brought into the telecommunication industry [1]. Today two types of mobile phone service providers operate in the Indian market, they are –

- Global System for Mobile Communications (GSM)
- Code Division Multiple Access (CDMA)

As we know the mobile phones are progressively becoming cheaper and are very simple to use unlike it used to be in the olden days. The present industry is going through the era of smart phones and high speed internet network. Mobile phones services have highly penetrated into rural India. This became the main reason for the telecom players to target the rural customers. The demand for the network services is pretty high in both the rural as well as the urban. From a study it is revealed that India has more than 100 million subscribers of the telecommunication industry. It is growing at a rate of 10 million every year, this made the telecom service providers know the potential of Indian customers. This journey has led to great development in the telecom sector in India. This study endeavors to put together the components affecting the brand preference and tries to create a comprehensive framework for the measurement of the brand selection in the mobile service provider's context. The preference of the consumers is the result of their behavior they show during searching, purchasing, using and disposing the services provided by the network operators. The parameters on which this study is stressed upon are tariff rates, service availability, service quality, promotions and the brand image. The preference of the customers in selecting a particular mobile operating brand is mainly based on these factors. Some of the customers prefer service quality while the others consider tariff rates as an important determinant. This study revealed as to what extent the customers are influenced by these factors and also how the demographic factors (such as age, gender, income, monthly expenditure on phone etc) affect the customers in determining these basic factors. The hypothesis of these factors is conducted which will let us know the level of acceptance of customers for a particular service provider and the consideration of these factors.



2. REVIEW OF LITERATURE

Raj Kumar and Harish (2011) in their study on choice of Indian customers in selecting their cellular mobile service providers state that out of the factors affecting choice of service providers like call service communication quality, price, facilities, customer care, and service provider's attributes the most influential factors were communication and price. Kotler(2005), says that it is important to study demographic environment of markets as information on age, income, occupation will help service providers to differentiate the services they provide to different segments of the market. Ahmed Alamro, Jennifer Rowley, (2011) studied consumer brand preference, in choosing of telecommunications service brands. Effect of communication like advertising, publicity, word of mouth, service value like price, quality, and customer attributes like satisfaction, perceived risk, showed the contribution of each of these antecedents to brand preference. Brand image is "perceptions about a brand as reflected by the brand associations held in consumer memory" (Keller, 2003, p. 66). While selecting a service provider consumer's personal attributes also play an important role. According to Zeithmal, (1991), consumer attributes are defined as the characteristics of consumers. As Zeithmal et al.(1990), have described brand awareness and brand image together with consumer attributes help maintain emotional and functional relationships. This is especially useful in the context of service. Zeithmal et al.(1991), a bridge between organisations and consumers can be formed through brand awareness, brand image, and consumer attributes. Mallikarjuna .V, Krishna Mohan .G and Pradeep Kumar .D (2011) in their study quote with entry barriers easing switching is especially high in the pre-paid customer category. This is also due to low switching costs and competitive tariff plans. Jessy John (2011) in her study has come up with the conclusion that customer service along with value added services and network quality, enhances the loyalty of the customers. P. Rengarajan and T. Kavipriya (2013), made a study to analyse how aware the customers are of Value Added Services of mobile phone service providers. They also sought to find the level of customer satisfaction of Value Added Services on mobile phone service providers. Some Value Added services like SMS, ring-tone downloading, internet connection and gaming, etc have become powerful ways to attract customers. Majority are satisfied with the services providers so competition has become intense. Kumar Dinesh,(2012) says in his study that in recent times there has been a revolution in telecom sector in India. There is a booming mobile phone market in India offering various services. There is a close relation between income and mobile phone and services offered but there is no relationship between gender and time period of using mobile phones and gender and frequency of changing the mobile phones. Yousef Mehdipour, Hamideh Zerehkafi (2013), in their survey done in Hyderabad found that 'Customer satisfaction is a collective outcome of perception, evaluation, and psychological reactions to the consumption experience with a product or service'. Their research focused on attitude of customers to mobile communication. They found that the main criteria of selecting the service provider is, if the network is used in their family and friends circle people are preferring that service provider. The packages offered by the service providers are also attracting customers.

3. RESEARCH METHODOLOGY

Customers' perception towards the services of mobile phone operators has been analyzed in this research study based on certain important attributes namely tariff rates, service quality, service availability, promotions and brand image. The research is conducted in Visakhapatnam district, Andhra Pradesh, India. A well structured close ended questionnaire is used to collect primary data from 200 respondents based on convenient sampling method. The questionnaire is the outline of required information and the framework on which the data is built upon. It has been designed in such a way that it contains questions related to the demographic profile and mobile usage pattern of the customers. Moreover, Likert's five point scale has been developed and incorporated in the questionnaire to measure the overall perception of the customers towards mobile service operators based on the above mentioned five factors. In order to test the difference between the perceptions of different mobile users, the following hypothesis is developed.

- H_0 : There is no difference in the perception of different network users regarding the services offered by mobile network providers.

The demographic characteristics of the respondents have been analyzed using percentage analysis and weighted average technique is used to measure the importance of the factors determining the choice of mobile network. Moreover, to test the above mentioned hypothesis, One-way anova test has been applied.

4. RESULTS AND DISCUSSION

Demographic Characteristics

The demographic factors revealed that 54.5% of the respondents are male and 45.5% are female respondents. Regarding the age of the respondents, majority of them i.e., nearly 45% fall under the age group of 16-25 years, followed by the age group



of 26-35 years which accounts for 33.5% and the rest of the respondents fall under the age group of 36-45 years and above 46 years. Moreover, it has been identified that only 14.5% of the respondents are using the low-end mobile handset, while the remaining 85.5% are using the high-end mobile handsets. A larger proportion of the respondents are graduates and post-graduates, whereas, very few respondents have intermediate educational qualification. Moreover, it has been identified that 34% of the respondents are the users of Airtel network followed by Idea customers i.e., 27%, Vodafone users are around 24% and the rest are BSNL users. In case of type of connection used by the respondents, nearly 75.5% are prepaid users, whereas the postpaid users are comparatively very less which accounted for only 24.5%. Furthermore, most of the respondents are spending around Rs 500-1000 every month for recharging.

Factors determining the selection of service provider

The most important factor among the selected five factors i.e., call rates, service quality, service availability, promotional activities, brand image that determines the choice of mobile network has been identified from the weighted average scores (Table 1).

Factors	Weighted Average scores	Rank
Call Rates	2.73	3
Service Quality	2.03	5
Service Availability	2.66	4
Promotional Activities	3.86	1
Brand Image	3.69	2

Table 1 - Factors determining the selection of service provider

The results [Table 1] reveal that among the five factors promotional activity with a weighted average score of 3.86 has a major influence on the customers in selecting the service provider. Subsequently, brand image has been identified as the next influencing factor with a weighted average score of 3.695. It is followed by tariff rates and service availability with the weighted average scores of 2.73 and 2.655 respectively. Service quality has received the least ratings with a weighted average score of 2.03. Thus, it can be concluded that the major factors that influence the choice of mobile users are promotional activity and brand image.

Perception of different mobile network users

The difference in the perception of mobile network users regarding the services offered by the network providers has been clearly explained by the results of the one-way anova test (Table 2) which has tested the following hypothesis. Moreover, the mobile network service providers are ranked based on the customers' perception using mean scores (Table 3).

H₀: There is no difference in the perception of different network users regarding the services offered by mobile network providers.

	Sum of Squares	Degrees of freedom	Mean square	F – statistics	Probability value
Between Groups	227.840	3	75.947	9.117	0.000
Within Groups	1,632.780	196	8.331		
Total	1860.620	199			

Table 2 - One way Anova

The above table clearly indicates that there is significant difference in the perception of different network users regarding the services offered by their mobile network providers. It has been revealed from the calculated F statistics which is 9.117 and the probability value of 0.000 which is less than 0.05. Thus the null hypothesis can be rejected even at 1 percent level of significance. Hence, it can be concluded that there is significant difference in the perception of Airtel, Idea, Vodafone and BSNL customers regarding the quality of service offered by the network providers.

Mobile Operators	Mean Scores	Rank
Airtel	27.28	4
Idea	28.85	3
Vodafone	29.69	2
BSNL	29.73	1

Table 3 – Mean Scores and Rank



Moreover, among the mobile operators BSNL has got the highest mean score of about 29.73 and is ranked as first in terms of the perception of the respondents towards services rendered. It is followed by Vodafone with a mean score of 29.69, which is very close to the mean score of BSNL. The perception of the respondents towards Idea is ranked as third with a mean score of 28.85 and Airtel has been ranked last with a mean of score of 27.27. Hence, the perception of the customers towards the services offered by BSNL and Vodafone are high compared to Idea and Airtel.

5. CONCLUSION

Promotion is considered as the most important component among the five components which are considered to be affective while selecting the service provider. Brand image and tariff rates also have an equivalent influence on the respondents. This study revealed that service availability and service quality doesn't have a significant effect on the respondents while selecting the service provider. The findings and results of this research can be helpful to the telecom providers to build strategies and to bring the change in their operations. As promotions and brand image have attained the greater preference in this study, the marketers can concentrate on the promotional activities to gain their customer base. Brand image can be developed by better branding of the services provided by the operator. Thus, the service providers should invest more on the promotional activities and branding which influences the customers to a large extent.

6. REFERENCES

1. Ahmed Alamro, Jennifer Rowley, (2011),"Antecedents of brand preference for mobile telecommunications services", Journal of Product & Brand Management, Vol. 20 Issue: 6pp. 475-486.
2. .Jessy John (2011) in his study "An analysis on the customer loyalty in telecom sector:Special reference to Bharath Sanchar Nigam limited, India", African Journal ofMarketing Management, January 2011, Vol. 3(1) pp. 1-5.Available online <http://www.academicjournals.org/AJMM>.
3. Keller, K.L. (2003), Strategic Brand Management: Building, Measuring, and Managing Brand Equity, 2nd ed., Pearson, Upper Saddle River, NJ.
4. Ahmed Alamro, Jennifer Rowley, (2011),"Antecedents of brand preference for mobile telecommunications services", Journal of Product & Brand Management, Vol. 20 Issue: 6pp. 475-486.
5. Kotler, Philip (2005), Marketing Management – Analysis, Planning Implementation and Control, Prentice Hall of India: New Delhi, p151.
6. Kumar, Dinesh (2012), An Empirical Study Of Brand Preference Of Mobile Phones Among College And University Students, International Journal of Research in Computer Application & Mana;Mar2012, Vol. 2 Issue 3, p81
7. Mallikarjuna .V, Krishna Mohan .G and Pradeep Kumar .D (2011), "Customer switching in mobile industry - an analysis of pre-paid mobile customers in AP circle of India",International Journal of Research in Computer Application & Management, Vol.1, No. 3, Pg. 63.
8. .P. Rengarajan and T. Kavipriya(2013),A Study On Customers' Awareness Level Of Value Added Services On Mobile Phone Service Providers - With Special Reference To Tiruppur District, Tamil Nadu, National Monthly Refereed Journal Of Research In Commerce & Management *Volume No.1, Issue No.10*
9. Rajkumar Paulrajan and Harish Rajkumar, 2011, Service Quality and Customers Preference of Cellular Mobile Service Providers, Journal of Technology Management & Innovation, Volume 6,. <http://www.jotmi.org/index.php/GT/article/view/art184>
10. Yousef Mehdipour, Hamideh Zerehkafi (2013), Customers Attitude toward Mobile Service Providers in Hyderabad, IOSR Journal of Computer Engineering Volume 11, Issue 6 (May. - Jun. 2013), PP 83-88
11. Zeithaml, V.A., Parasuraman, A. and Berry, L.L. (1990), Delivering Quality Service: Balancing Customer Perceptions and Expectations, Free Press, New York, NY.
12. Zeithaml, V. (1991), "How consumer evaluation processes differ between goods and services", in Lovelock, C. (Ed.), Services Marketing, Prentice Hall, Upper Saddle River, NJ, pp. 39-47.

Reports

1. DoT Report of 2014-15. www.dot.gov.in/tenders/limited-tender-printing-annual-report-2014-15.
2. TRAI Report 2014-15.www.trai.gov.in > Home > Telecom.