



A survey study on Consumer's Preferences & Satisfaction towards telecom service providers in Mehsana District of Gujarat

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Abstract: *Today every industry facing cut-throat competition from the rival industries or firms. To get an edge over the competitors, any enterprise has to provide better products or services to their customers. In this era of customization business enterprise needs to understand the customer's needs and wants before producing product or service. Hence, customer satisfaction plays pivotal role for long run survival. Customer satisfaction is the term which is mostly used in marketing. It is the measure of how products or services offered by company meet customers' expectations. This research study is conducted to study the customer satisfaction in telecom industry. This research study was undertaken to examine the customer satisfaction level in telecom service providers in Mehsana District of Gujarat.*

Keywords: *Competition, Satisfaction, Marketing, Customer, Telecom.*

I. INTRODUCTION

In recent competitive era providing high quality service is the key for getting sustainable competitive advantage. Customer satisfaction level does have a positive impact on a firm's profitability. The successful foundation of any business is formed with satisfied customers because customer satisfaction compel them to do repeat purchases, builds brand loyalty & positive word of mouth publicity. There are several studies that have shown the effect of satisfaction of customer on repeat purchases, customer loyalty and customer retention. Many researchers have found the fact that satisfied customers share their instances & experiences with other people approximately 5-6 people. On the other hand, customers who are dissatisfied more likely to tell another 15 people about their instances & experience with product, service or company itself. Many researchers highlighted the importance of customer satisfaction. Many researchers have found that customer satisfaction has a positive impact on firm's revenue & profit. Today all business firms are realizing the importance of providing and managing service quality, to enhance customer satisfaction. This research study is conducted in Mehsana District of Gujarat and study is limited to few mobile service providers. This research paper aims at studying present market scenario of telecom service providers. The study was undertaken with major players in telecom industry are BSNL, Vodafone, Idea, Reliance, Airtel & Tata Docomo.

II. REVIEW OF LITERATURE

1. Customer Satisfaction:

According to Kotler & Keller (2009), „Satisfaction is a person's feeling of pleasure or disappoint/ unhappiness, resulting from comparing a product's perceived performance (Outcome) in relation to his or her expectation". Tse and Wilton (1988) and Oliver (1997) have supported this definition.

According to Solomon (1996), Wells & Prenskey (1996), Hansemark & Albinsson (2004), "customer satisfaction as the feeling or attitude of the customers towards a product or service after it is used.

Oliver (1993), Mittal, Kumar, & Tsiros (1999), Westbrook & Oliver (1991), Banker, Potter & Srinivasan (2000) in their study on customer satisfaction, they have mentioned that "When perceived performance of product or service matches or exceeds expectations of customer, the customer get satisfied. Consequently, the perceived performance of product or service is below the customer expectations then the customers get dissatisfied."

In their study on customer satisfaction Aakar & Fornell in 1992 and Despensa & Oliver in 1997, have found that repeat purchase can be enhance through satisfied customers. Besides this they have mentioned that a satisfied customer can be brand loyal and disseminate positive word of mouth publicity which can result in enhancement of sales of the organization.

Motley (2003), in his study has found that with a view to secure customer satisfaction, an organization must identify the factors affecting customer's satisfaction or dissatisfaction. With regard to the determinants of customer satisfaction Bamfo in 2009 has found that such factors includes friendliness of employees, courteousness of employees, knowledge of employees, accuracy of bills, competitive pricing & quality of service.



2. Customer Satisfaction in Telecom Industry:

Leelakulthanit & Hongcharn, (2011) in their study have investigated the determinants of customer satisfaction by conducting interview of 400 cell phone users in Thailand. They found that promotional offers, quality of customer service at retail outlets or shops and corporate image of the company play the significant role in determining customer satisfaction.

Sadia, Tasneem, and Khan (2011) found out the customer loyalty in the telecom industry in Pakistan, using 146 mobile phone users. The study revealed that customer loyalty is shaped mainly by: trust, service quality, employee loyalty, and switching cost. The results of this study agree, partially, with a study by Boohene & Agyapong (2011) of 460 customers of Vodafone Company in Ghana. This study they found that satisfaction does not necessarily promote to customer loyalty, on the other hand service quality was found strongly and positively correlated with loyalty. If customers are satisfied with product and services of service provider, perceive service quality of customer is positive.

The importance of service quality in the choice decision for a mobile phone operator was also emphasized by Rahman, Haque, and Ahmad (2011) who conducted a study of 400 mobile phone users from major cities in Malaysia. This study found that network signal quality is one of the important determinants in building overall service quality. Besides, service quality, the study also concluded that price plays significant role in the selection criteria for mobile phone operators in Malaysia.

Omotayo & Joachim (2011) in their study have mentioned that the service quality has an impact on customer satisfaction. To conduct this study they have selected 148 users of major telecom service providers in Nigeria. The result of the study revealed that service quality has a positive impact on customer satisfaction and customer loyalty.

Boohene & Agyapong (2011) in their study have stated that “due to the fact that telecom firms do not provide tangible items, the quality of their services is usually assessed by measure of the service provider’s relationship with consumers. Hence, telecom service providers should pay attention to staff skill profession and offering fast and efficient services.”

Ahmad et al, 2010 conducted study on customer retention through the quality of Short Message Services (SMS), recruiting 331 university students using an SMS service of any mobile service provider in Pakistan. Their results revealed that service quality has a significant relationship to customer retention.

Eshghi, Kumar, & Gangui (2008) have selected 238 cell phone subscribers in four major cities of India to examine the impact of service-related aspects on customer satisfaction, intention of repeat purchase, and the referral of a service to others. They found that “the most important determinants of customer satisfaction are: competitiveness, service quality, reliability, brand image, support features, and transmission quality”.

Wong (2010), Mittal & Kamakura (2001) have concluded that customer satisfaction plays an important role in customer retention. Organizations will not be able to retain their customers without satisfying them. In telecom industry, the success and survival of service operator is solely depends on customer retention.

Alom, Khan, and Uddin, (2010) have conducted interview of 60 university students in Bangladesh who were using mobile phones, with a view to identify the determinant variables in selecting mobile service providers. The study revealed that two factors, (1) brand image and (2) perceived call rate, have significant influence on the customers’ selection decision of a mobile service provider in Bangladesh.

Bugel, Buunk, and Verhoef (2010) have used psychological investment model in order to examine commitment to companies in Netherlands. The study was conducted to define the customer-company relationships in five sectors: namely, banking industry, health insurance industry, supermarkets, mobile telecom service providers, and the automotive industry. The result of the study revealed that satisfaction plays significant role in determining customer commitment for service providers and there is a positive correlation between improving customer satisfaction and gaining customer loyalty.

III. OBJECTIVES OF THE STUDY

1. Assessment of the quality of basic services provided by mobile operator in Mehsana District.
2. Conducting customer satisfaction survey to examine customer perception towards mobile service provider.
3. Identify the customer satisfaction level towards mobile service providers.
4. Examining the problems in mobile service provider industries.
5. Providing valuable suggestions based on findings.

IV. RESEARCH METHODOLOGY

Hypothesis:

H1: Quality of customer services has an impact on customer satisfaction in mobile service providers.

H2: Quality of customer service does not have any impact on customer satisfaction in mobile service providers.

Sampling Design:

Population: This research study includes all the existing cell phone/ mobile phone subscribers in Mehsana.
Sample Size: The study was restricted to 140 cell phone subscribers/ respondents.
Sampling Method: To conduct this research study Convenience sampling is used.

Collection of Data:

Primary Data: In order to obtain primary data a structured questionnaire was designed and respondents were interviewed through questionnaire.

Secondary Data: This research study includes the secondary data also. Journals, Magazines, Web resources, news articles etc. are used to obtain the data.

V. LIMITATIONS OF THE STUDY

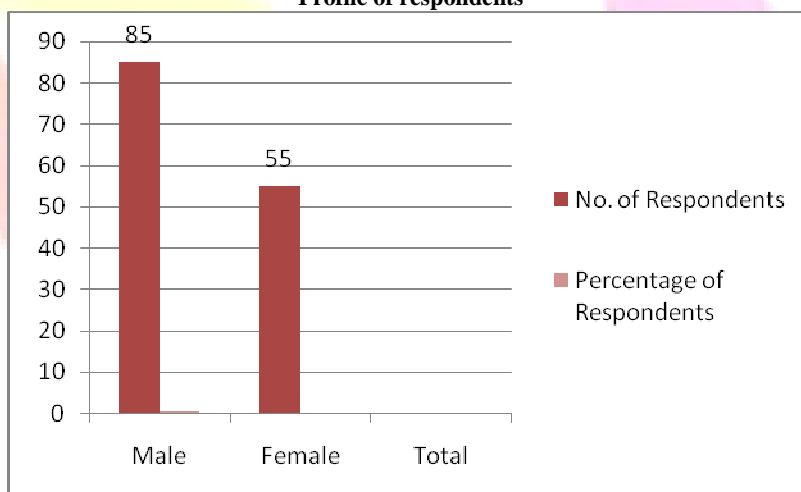
- This research study is limited to Mehsana District and hence, before generalization to other districts/ cities of the nation, unique features of those cities need to be taken into considered.
- To undertake this research study the time factor was also limited.
- Sample size is only 140 respondents. A better or reliable analysis can be done with larger sample size.

VI. ANALYSIS & INTERPRETATION

Table-1
Profile of respondents

Gender	No. of Respondents	Percentage of Respondents
Male	85	60.7%
Female	55	39.3%
Total	140	100%

Chart-1
Profile of respondents



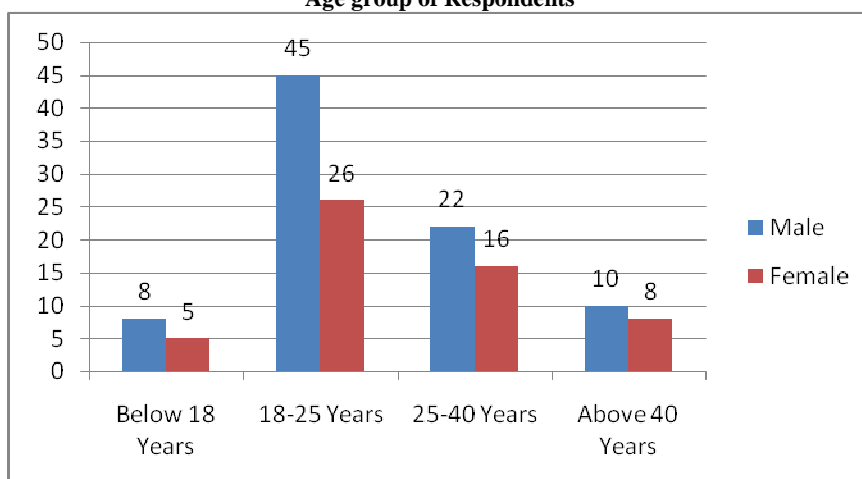
Interpretation:

From the above table-1 it can be observed that the gender profile of the respondents includes 85 males and 55 females. Profile of the respondents include 60.7% Male while 39.3% Female respondents.

Table-2
Age group of Respondents

Age Group	Male	Female	Total	Percentage
Below 18 Years	8	5	13	9.2%
18-25 Years	45	26	71	50.7%
25-40 Years	22	16	38	27.3%
Above 40 Years	10	8	18	12.8%
Total	85	55	140	100%

Chart-2
Age group of Respondents



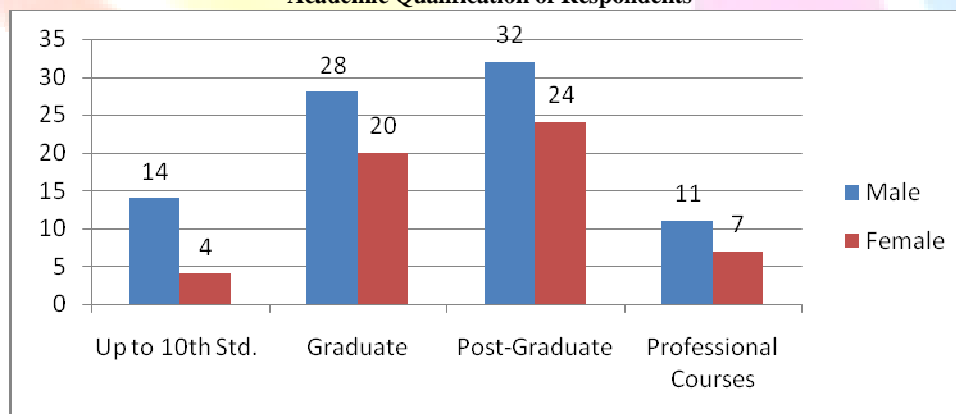
Interpretation:

The above table-2 and chart-2 show that majority of respondents are between the age group of 18 to 40 years which constitute about total 78% of total respondents. Respondents between 18-25 age group include students were found to be easily accessible. It includes about 50 percent of the total respondents i.e. 71 respondents in total out of 140 respondents.

Table-3
Educational Qualification

Qualification	Male	Female	Total	Percentage
Up to 10th Std.	14	4	18	13%
Graduate	28	20	48	34%
Post-Graduate	32	24	56	40%
Professional Courses	11	7	18	13%
Total	85	55	140	100%

Chart-3
Academic Qualification of Respondents



Interpretation:

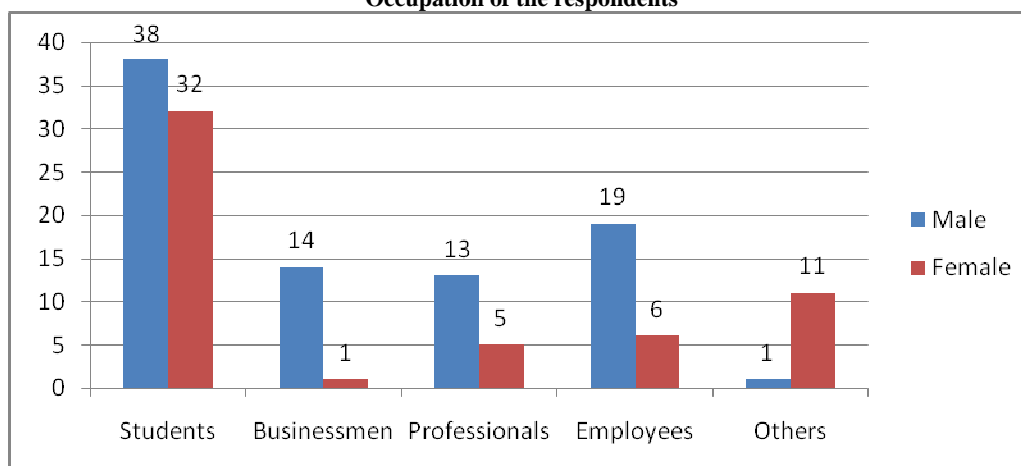
The above table-3 and chart-3 show that majority of the respondents include both graduate and post graduate i.e. 34 percent & 40 percent respectively. Both represent the 74% of the total respondents. Therefore we can say that most respondents or subscribers are educated and are also aware about the services of the operators.

Table-4
Occupation of the respondents

Occupation Type	Male	Female	Total	Percentage
Students	38	32	70	50%
Businessmen	14	1	15	11%
Professionals	13	5	18	13%
Employees	19	6	25	18%
Others	1	11	12	8%

Total	85	55	140	100%
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Chart-4
Occupation of the respondents



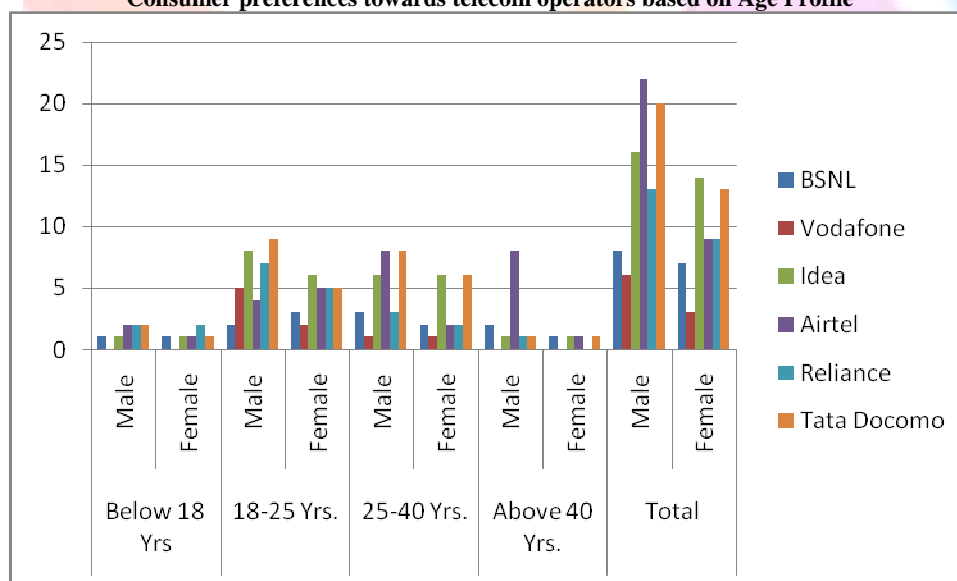
Interpretation:

From the above table-4 & Chart-4 it can be concluded that the half of the respondents were students followed by employees which accounts for 18% of the total respondents. Besides this 8% to 12% of the respondents are included as professionals, businessmen and others.

Table-5
Consumer preferences towards mobile service providers based on Age Profile

Operators	Below 18 Yrs		18-25 Yrs.		25-40 Yrs.		Above 40 Yrs.		Total		G. Total	Percentage
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female		
BSNL	1	1	2	3	3	2	2	1	8	7	15	10.71%
Vodafone	0	0	5	2	1	1	0	0	6	3	9	6.43%
Idea	1	1	8	6	6	6	1	1	16	14	30	21.42%
Airtel	2	1	4	5	8	2	8	1	22	9	31	22.14%
Reliance	2	2	7	5	3	2	1	0	13	9	22	15.71%
Tata Docomo	2	1	9	5	8	6	1	1	20	13	33	23.57%

Chart-5
Consumer preferences towards telecom operators based on Age Profile



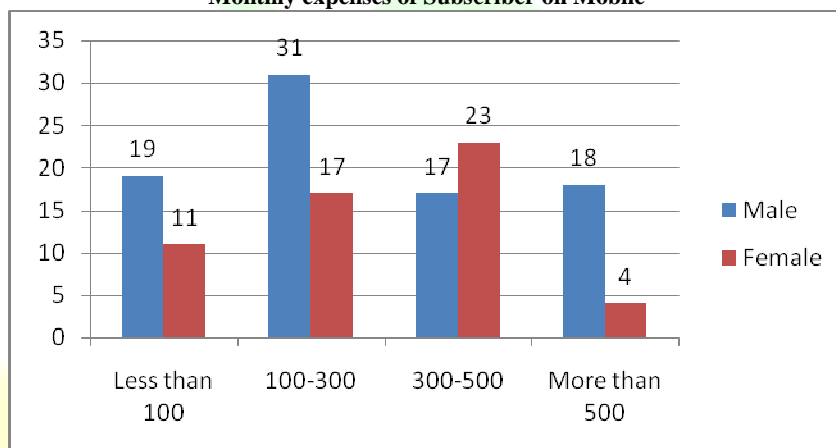
Interpretation:

From the above Table-5 we can conclude that total user of Airtel are highest in the city and followed by Tata Docom and other service providers. We can also observed that male user are highest amongst the subscribers.

Table-6
Monthly expenses of Subscriber on Mobile

Expenses in Rs.	Male	Female	Total	Percentage
Less than 100	19	11	30	21.5%
100-300	31	17	48	34.3%
300-500	17	23	40	28.5%
More than 500	18	4	22	15.7%
Total	85	55	140	100%

Chart-6
Monthly expenses of Subscriber on Mobile



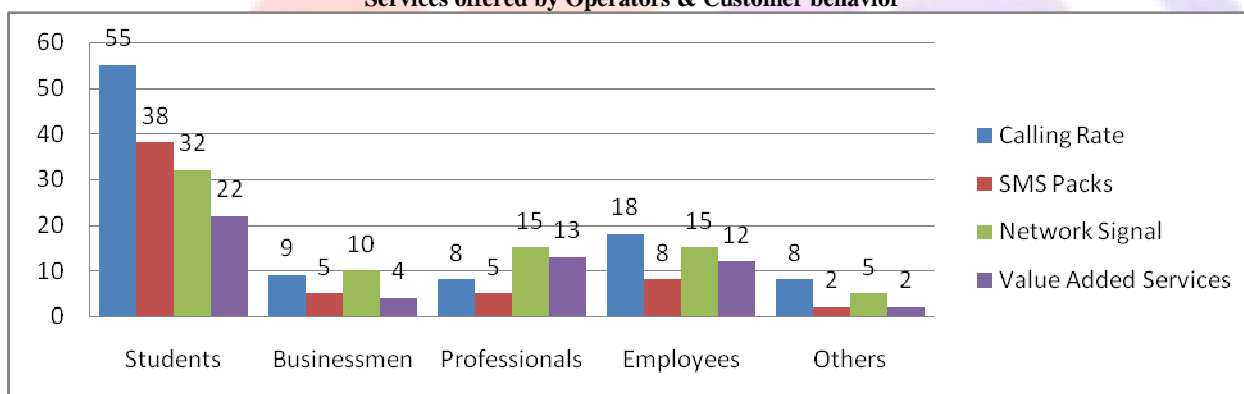
Interpretation:

The above table-6 & Chart-6 show that majority of the respondents spend between Rs. 100 to Rs. 300 as mobile expenses and followed by Rs. 300-500 among the respondents. Around 15% of the total population spends above Rs. 500 as mobile expenses.

Table-7
Services offered by telecom service providers & Customer behavior

Services Offered	Students	Businessmen	Professionals	Employees	Others	Total
Calling Rate	55	9	8	18	8	98
SMS Packs	38	5	5	8	2	58
Network Signal	32	10	15	15	5	77
Value Added Services	22	4	13	12	2	53
Total	147	28	41	53	17	140

Chart-7
Services offered by Operators & Customer behavior



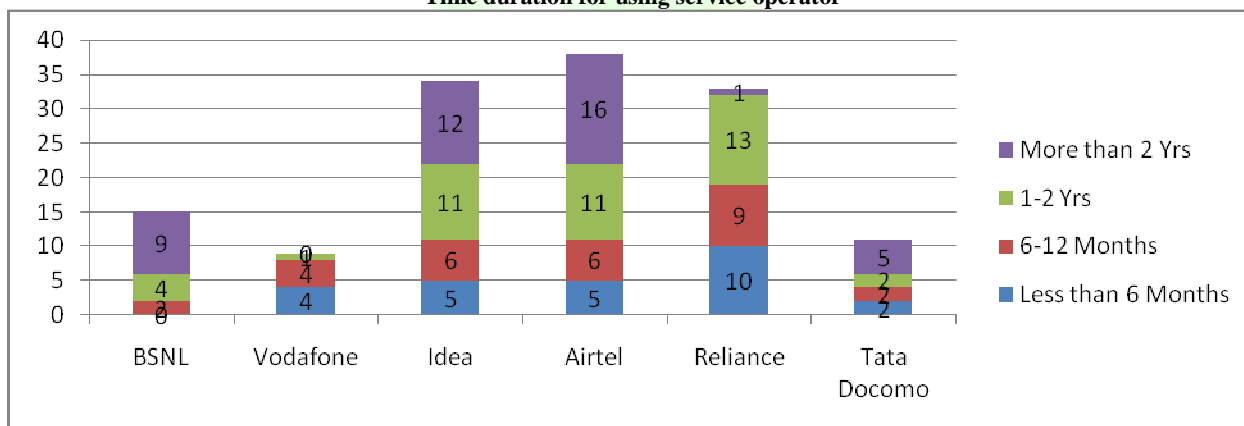
Interpretation:

In the above table-7 & Chart-7 it can be observed that most of the services are preferred by students. Employees are also concern with above mentioned services and followed by professionals, businessmen & other.

Table-8
Time duration for using service operator

Operators	Less than 6 Months	6-12 Months	1-2 Yrs	More than 2 Yrs	Total
BSNL	0	2	4	9	15
Vodafone	4	4	1	0	9
Idea	5	6	11	12	34
Airtel	5	6	11	16	38
Reliance	10	9	13	1	33
Tata Docomo	2	2	2	5	11
Total					140

Chart-8
Time duration for using service operator



Interpretation:

The above table-8 and chart-8 represent the usage time of particular mobile operator by subscribers.

VII. CHI-SQUARE TEST ANALYSIS

R1: Test of dependence between decision of Selection of Service Operator & Delivery of SMS & other Value Added Service

Table-9
Customer Satisfaction & Service Quality Dimension: Reliability & Responsiveness

Operators	Poor	Neutral	Good	Total
BSNL	5	5	5	15
Vodafone	1	3	5	9
Idea	8	16	10	34
Airtel	8	15	15	38
Reliance	3	6	2	11
Tata Docomo	9	14	10	33
Total				140

Table-10
Expected Value

Operators	Poor	Neutral	Good
BSNL	3.43	6.32	5.04
Vodafone	2.05	3.79	3.02
Idea	7.77	14.32	11.41
Airtel	8.68	16.01	12.75
Reliance	2.51	4.64	3.69
Tata Docomo	7.54	13.9	11.07

Degree of freedom is 10 and level of significance is 5%. Observed Chi-Square Value=6.3553 Chi-Square tabulated value is 18.307

Interpretation:

From the above analysis and data it can be concluded that the observed value is less than the tabulated value & hence we can say that delivery of SMS & Other Value added services do not have significant influence of the selection of mobile service operator.



R2: Test of dependence between Mobile Operator selection & Customer Care services

Table-11
Calculation of Observed Value

Operators	Poor	Neutral	Good	Total
BSNL	4	7	4	15
Vodafone	1	3	5	9
Idea	14	13	7	34
Airtel	7	12	19	38
Reliance	4	5	2	11
Tata Docomo	7	14	12	33
Total				140

Table-12
Expected Value

Operators	Poor	Neutral	Good
BSNL	3.96	5.78	5.25
Vodafone	2.37	3.47	3.15
Idea	8.98	13.11	11.9
Airtel	10.04	14.65	13.3
Reliance	2.91	4.24	3.85
Tata Docomo	8.72	12.72	11.55

Degree of freedom is 10 & @ 5% level of significance. Observed Chi-Square Value=13.0689 & Chi-Square tabulated value is 18.307

Interpretation:

From the above data it can be concluded that observed value is less than the tabulated value. Hence it can be found that Customer care services do not have much influence on the selection of mobile operator.

Customer Satisfaction & Service Quality Dimension: Technical Parameters:

T1: Test of Dependence between mobile Operator Selection & Billing Procedure

Table-13
Observed Value

Operators	Poor	Neutral	Good	Total
BSNL	3	10	2	15
Vodafone	3	4	2	9
Idea	12	11	11	34
Airtel	5	20	13	38
Reliance	1	6	4	11
Tata Docomo	11	15	7	33
Total				140

Degree of freedom is 10 & @ 5% level of significance. Observed Chi-Square Value=12.0271 & Chi-Square tabulated value is 18.307

Interpretation:

From the above data it can be observed that the observed Chi-Square Value is less than the Tabulated Value of Chi-square. Thus, we can say the billing procedure does not have much impact on the decision of the selection of mobile service provider.

Table-14

T2- Test of dependence between the choice of Mobile Service Operator & Technology Innovation

Operators	Poor	Neutral	Good	Total
BSNL	4	5	6	15
Vodafone	1	6	2	9
Idea	9	18	7	34
Airtel	5	14	19	38
Reliance	0	5	6	11
Tata Docomo	5	13	15	33
Total				140

Degree of freedom is 10 and level of significance is @ 5%. Observed Chi-Square Value=11.8016 Chi-Square tabulated value is 18.307

Interpretation:

From the above data and interpretation it can be concluded that observed chi-square value is less than the tabulated value of chi-square. Thus, it can be observed that there is no significance impact of technology & innovation on the selection decision of mobile operator.

Table-15
Test of dependence between Mobile Operator selection & Network Signal

Operators	Poor	Neutral	Good	Total
BSNL	2	6	7	15
Vodafone	12	14	7	33
Idea	5	6	12	30
Airtel	4	16	18	28
Reliance	1	3	7	11
Tata Docomo	7	9	7	23
Total				140

Degree of freedom is 10 & @ 5% level of significance. Observed Chi-Square Value=20.7357 & Chi-Square tabulated value is 18.307

Interpretation:

From the above data we can observe that the observed value is greater than the tabulated value. Hence, there is a significance impact of Network Signal on the decision of the selection of operator.

Customer satisfaction and Service Quality Parameters – Economic Value

Table-16
Test of dependence between mobile operator selection and Recharge vouchers

Operators	Poor	Neutral	Good	Total
BSNL	4	8	3	15
Vodafone	1	3	5	9
Idea	13	12	9	34
Airtel	5	12	21	38
Reliance	3	6	2	11
Tata Docomo	4	10	19	33
Total				140

Degree of freedom is 10 and level of significance is @ 5%. Observed Chi-Square Value=19.6799 & Chi-Square tabulated value is 18.307

Interpretation:

In the above mentioned data we found that the observed value is more than the tabulated value of chi-square. Therefore, people do consider the recharge offer and schemes before selecting the service provider.

Table-17
Test of dependence between choice of mobile service operator & Call Rates/ Tariff

Operators	Poor	Neutral	Good	Total
BSNL	6	7	2	15
Vodafone	2	4	5	11
Idea	13	12	9	34
Airtel	15	10	12	37
Reliance	2	5	4	11
Tata Docomo	0	17	15	32
Total				140

Degree of freedom is 10 & @ 5% level of significance. Observed Chi-Square Value=20.7183 & Chi-Square tabulated value is 18.307

Interpretation:

From the above data it is found that the observed value is greater than the tabulated value. Therefore, we can conclude that the call rates or tariff has a positive relation with the decision of mobile operator selection.

Table-18
Factors influencing the decision of consumer in selection mobile service operator

Factors	Strongly agree	Agree	Disagree	Strongly Disagree	Total
Brand	40	55	40	5	140
Advertisement	42	44	33	21	140
Offers & Schemes	62	48	25	5	140
Value Added Services	44	45	28	23	140

Interpretation:

From the above table-18 it can be observed that majority of the respondents believe that four factors mentioned plays significant role while deciding mobile operator. More than 65% of the respondents are concerned about the offers & schemes and value added services while 27 percent respondents are brand loyal and brand image is important for them.

VIII. CONCLUSION

This research paper aims to customer satisfaction and perceived quality service. Finally we can conclude that the telecom industry is growing rapidly in present scenario. The mobile operators in the industry are facing cut throat competition from the rivals. Therefore, it is mandatory to provide better customer services to get competitive edge over their competitors. From the above study it is found that customer satisfaction and quality services play vital role in the industry. It is also found that people consider many factors while making the decision pertaining to the selection of mobile operator. There are various factors which have either direct or indirect impact on customer service and customer satisfaction. Today people consider the schemes & offers, network signal availability, value added services etc. while selecting the mobile operator. Hence the operator must provide this service at economic rate and also improve the after sales services i.e. the services of customer care/ complaint centers.

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