



A Study of Customer satisfaction on Telecom Service Providers

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ABSTRACT

The present study is undertaken to understand the customer satisfaction on Telecom Service Providers. It was done under the guidance of ASSAM UNIVERSITY, SILCHAR, Department of Commerce. The study was done to find out the customer satisfaction level in Telecom service provider players in the market; this study was done in Medical College (students), Silchar. The data was processed using computer aided tool such as Excel tables were used for analysis; the study was conducted from February, 2013 to August 2013.

KEYWORDS

INTRODUCTION:

Customer satisfaction is a term frequently used in marketing, it is a measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction is defined as "the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services exceeds specified satisfaction goals. In a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy. Therefore, it is essential for businesses to effectively manage customer satisfaction. To be able to do this, firms need reliable and representative measures of satisfaction.

OBJECTIVE OF THE STUDY:

The project aims at studying the present market scenario of Telecom Service. The major players in the market are (i) BSNL (ii) Airtel (iii) Reliance (iv) Vodafone (v) Aircel and (vi) Idea.

The main objectives of the study are:-

- (i) To study the customer satisfaction towards mobile service providers.
- (ii) To study and identify how the customers are benefited.
- (iii) To access the needs and expectations of the customers in order to the requirement of their current satisfaction level.
- (iv) To understand the performance of different brands in the market on various parameters like Network Satisfaction, GPRS, SMS pack, customer care, free talk time, festival offer, full talk time, free roaming, validity, connection charges, ease of availability of retailers selling recharge coupon, ease of availability of the retailers transferring recharge voucher and online recharge.

REVIEW OF LITERATURE:

Some of the important related studies were reviewed for the support of the present study. The studies are-

Robins (2008) this paper is about marketing the next generation of mobile Telephones. The study is about third generation of cell phone technology, what is usually known as "3G" for short. There are various issues about that new innovative.

One is how to price 3G handsets and services at a level which will enable telephone operating companies to recoup the high prices they have already paid to governments for operating licenses. Second the technology is not yet complete, there are no agreed international standards and companies do not yet know what new services the technology will prove capable of delivering effectively. All variants of 3G remain dependent on largely unproven technology. Marketing 3G is going to be about services which are new and in many cases, yet to be designed. At the same time, it will involve services which can also be obtained by computer and other means. It follows that the marketing task will be high risk. First, 3G has no obviously unique selling proposition to build on except, perhaps, the combination of live video and easy portability. Second, the potential customers have not yet had adequate opportunity to signal their service likes and dislikes. Third, the cost and complexity of service provision leave doubt about the market's reaction to price.

Debnath (2008) this study explains that the prime focus of the service providers is to create a loyal customer base by benchmarking their performances and retaining existing customers in order to benefit from their loyalty. With the commencement of the economic liberalization in 1991, and with a view to expand and improve telecom infrastructure through the participation of the private sector, the Government of India permitted foreign companies holding 51 percent equity stake in joint ventures to manufacture telecom equipment in India. The Indian Government has announced a new policy, which allows private firms to provide basic telephone services. There had been a monopoly of the state-owned department of telecommunications. However, several companies are expected to benefit from the policy change.

Kalavani (2006) in their study analyzed that majority of the respondents have given favorable opinion towards the services but some problems exist that deserve the attention of the service providers. They need to bridge the gap between the services promised and services offered. The overall customers' attitude towards cell phone services is that they are satisfied with the existing services but still they want more services to be provided.

Kumar (2008), in their study titled "Customer Satisfaction and Discontentment of BSNL Landline Service: A Study" analyzed that at present, services marketing plays a major role in the national economy. In the service sector, telecom industry is the most active and attractive. Though the telecom industry is growing rapidly, India's telecom density is less than the world's average telecom density as most of India's market is yet to be covered. This attracts private operators to enter into the Indian telecom industry, which makes the Bharat Sanchar Nigam Limited (BSNL) more alert to run its business and survive in the market.

Kalpna and Chinnadurai (2006) in their study titled "Promotional Strategies of Cellular Services: A Customer Perspective" analyzed that the increasing competition and changing taste and preferences of the customer's all over the world are forcing companies to change their targeting strategies. The study revealed the customer attitude and their satisfaction towards the cellular services in Coimbatore city. It was found that advertisement play a dominant role in influencing the customers but most of the customers are of opinion that promotional strategies of cellular companies are more sale oriented rather than customer oriented

Chris (2003) has analyzed 'Telecom advertising in print media.' This research attempted to investigate why Telecom theme are used in advertisement, and the motives that lead companies and advertisers to use sport celebrities and sport concept in advertisements. From study it has been revealed that the appearance of sport celebrities in advertising endorsement occurred more often in Telecom magazines than in other magazines, because their target group is more acquainted with athletes. The sport celebrities that dominated each printed media are related with their target group characteristics.

SCOPE OF THE STUDY:

- (i) A Company can use the study as feedback.
- (ii) Retailers can use the study for updating their stores.
- (iii) A student may use the study for the help of his/her thesis.

LIMITATION OF THE STUDY:

Carrying the survey was general learning experience for me but I also faced some problems while collecting primary data. These are listed below:

- (i) Generally the respondents were busy in their work and were not interested in responding rightly.
- (ii) Most respondent were not maintaining proper knowledge of various facilities provided by their company. So they were unable to provide right information.
- (iii) Some of respondent were using the first time of their company and they were not properly differentiate among their product.
- (iv) Due to human behaviour information may be biased. Mainly in Vodafone case.
- (v) Some respondents, Specially MD and MS Students show their ego.

CONCEPTUAL FRAMEWORK

Concept of Customer Satisfaction

Business always starts and closes with customers and hence the customers must be treated as the King of the market. All the business enhancements, profit, status, image etc. of the organization depends on customers. Hence it is important for all the organizations to meet all the customers' expectations and identify that they are satisfied customer. Customer satisfaction is the measure of how the needs and responses are collaborated and delivered to excel customer expectation. It can only be attained if the customer has an overall good relationship with the supplier. In today's competitive business marketplace, customer satisfaction is an important performance exponent and basic differentiator of business strategies. Hence, the more is customer satisfaction; more is the business and the bonding with customer.

Customer satisfaction is a part of customer's experience that exposes a supplier's behavior on customer's expectation. It also depends on how efficiently it is managed and how promptly services are provided. This satisfaction could be related to various business aspects like marketing, product manufacturing, engineering, quality of products and services, responses customer's problems and queries, completion of project, post delivery services, complaint management etc.

Customer satisfaction is the overall essence of the impression about the supplier by the customers. This impression which a customer makes regarding supplier is the sum total of all the process he goes through, right from communicating supplier before doing any marketing to post delivery options and services and managing queries or complaints post delivery. During this process the customer comes across working environment of various departments and the type of strategies involved in the organization. This helps the customer to make strong opinion about the supplier which finally results in satisfaction or dissatisfaction.

Customer's perception on supplier helps the customer choose among the supplier on basis of money value and how well the delivered products suit all the requirements. The supplier's services never diminishes after the delivery as customer seeks high values post marketing services which could help them use and customize the delivered product more efficiently. If he is satisfied with the post marketing services then there are good chances for supplier to retain the customers to enhance repeated purchases and make good business profits.

It is necessarily required for an organization to interact and communicate with customers on a regular basis to increase customer satisfaction. In these interactions and communications it is required to learn and determine all individual customer needs and respond accordingly. Even if the products are identical in competing markets, satisfaction provides high retention rates. For example, shoppers and retailers are engaged with frequent shopping and credit cards to gain customer satisfaction, many high end retailers also provide membership cards and discount benefits on those cards so that the customer remain loyal to them.

Higher the satisfaction level, higher is the sentimental attachment of customers with the specific brand of product and also with the supplier. This helps in making a strong and healthy customer-supplier bonding. This bonding forces the customer to be tied up with that particular supplier and chances of defection very less. Hence customer satisfaction is very important panorama that every supplier should focus on to establish a renounced position in the global market and enhance business and profit.

Importance of Customer Satisfaction

Sometimes companies are misguided by the notion that customers depend on them. The truth of the matter is that we very much so depend on them. The level of satisfaction a customer has with a company has profound effects. The level of customer's satisfaction has a positive effect on profitability:

- A totally satisfied customer contributes 2.6times as much revenue to a company as a somewhat satisfied customer.
- A totally satisfied customer contributes 17times as much revenue as a somewhat dissatisfied customer.
- A totally satisfied customer contributes 17times as much revenue as a somewhat dissatisfied customer.
- A totally dissatisfied customer decreases revenue at a rate equal to 18 times what a totally satisfied customer contributes to a company.

When a person is satisfied with a company or service they are likely to share their experience with other people to the order of perhaps five or six people. However, dissatisfied customers are likely to tell another ten people of their unfortunate experience.

However, merely focusing solely on customer satisfaction has its drawbacks in the marketplace as well. For those companies that focus only on customer satisfaction run a real risk a failing to differentiate their brand from others. In order to achieve long-term sustainability companies must seek to establish ties of loyalty with consumers that are strong enough toward off the advances of competitors. Creating loyalty among customers can help the company to increase purchases of existing products, charge premium prices for appreciation of your added-value services, and create positive word-of-mouth promotion for your company, which is the core marketing objective for companies.

Customer loyalty is much harder to obtain than satisfaction. Even though customers are satisfied with the company there are several factors that could cause the customer to defect to the competition, such as finding a better value or the competitor is more convenient. With that said, having high levels of customer satisfaction does not always lead to customer loyalty. However, a company cannot achieve customer loyalty without having customer satisfaction.

Thus, though customer satisfaction does not guarantee the re-purchase from a company but it does play a very important role in achieving customer loyalty. Conducting customer satisfaction research will provide your company with the necessary insight it needs to make informed decisions in order to retain and increase your customer base and improve customer relationship.

Why is Customer Satisfaction so important today?

There was a time when customers were less critical and vocal if not totally satisfied when dealing with a business. This is not the case today. Today, customers are becoming increasingly more demanding, less tolerant and very critical when not having their expectations met.

There was a time when the choices available on where and who to deal with was limited. The power belonged to the business owner, customers had nowhere else to go and therefore customer satisfaction was not so important.

Today, customers have lots of choice on where and who to deal with. As a result the power has now shifted to the customer. If they feel you can not satisfy their expectations they will simply vote with their feet and deal with someone who will.

Method to Measure Customer Satisfaction

Companies use the following methods to measure customer satisfaction.

- 1) Complaints and suggestion system:
Companies obtaining complaints through their customer service centers, and further suggestions were given by customers to satisfy their desires.
- 2) Customer satisfaction surveys:
Responsive companies obtain a direct measure of customer satisfaction by periodic surveys. They send questionnaires to random sample of their customers to find out how they feel about various aspects of the company's performance and also solicit views on their competitor's performance. It is useful to measure the customer's willingness to recommend the company and brand to other persons.
- 3) Lost Customer Analysis:
Companies should contact customers who have stopped buying or who have switched to another supplier to learn why this happened.
- 4) Consumer Behavior V/s Consumption Behavior:

Consumer behavior refers to the manner in which an individual reaches decision related to the selection, purchases and use of goods and services. Walters and Paul says that, consumer behavior is the process whereby the individual's decides what, when, how and from whom to purchase goods & services.

Consumer behaviour relates to an individual person (Micro Behaviour) whereas consumption behaviour relates to and to the

mass or aggregate of individuals (Micro behaviour) consumers behaviour as a study focuses on the decision process of the individual consumer or consuming unit such as family.

In contrast the consumption behavior as a study is to do with the explanation of the behavior of the aggregate of consumers or the consuming unit. Consumer is a pivot, around which the entire system of marketing revolves. The study of buyer behavior is one of the most important keys to successful mark.

ANALYSIS AND INTERPRITATION

The results of analysis are presented below:

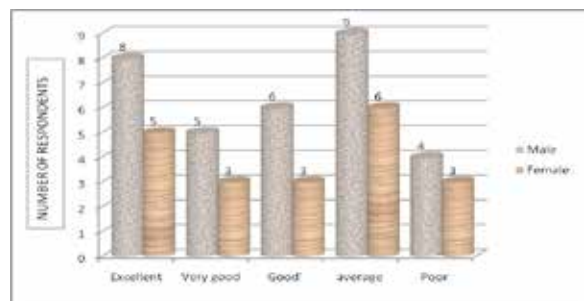
Table: Gender wise Degree of satisfaction on Network

Gender	Degree of satisfaction on Network					Total	%
	Excellent	Very good	Good	average	Poor		
Male	8	5	6	9	4	32	61.54
Female	5	3	3	6	3	20	38.46
Total	13	8	9	15	7	52	100

Source: Primary Data

From the above table shows gender wise degree of satisfaction on network. It is emerged that out of total 32 male respondents, 8 numbers has excellent satisfaction, 5 numbers has very good satisfaction, 6 numbers has good satisfaction, and 9 numbers has average satisfaction on network of different mobile service providers. It is found that 4 numbers of respondents has poor satisfaction over network of different mobile service providers

Figure: Gender wise Degree of satisfaction on Network



Source: Primary Data

However, out of total 20 female respondents 5 numbers has excellent satisfaction, 3 numbers has very good satisfaction, 3 numbers has good satisfaction, and 6 numbers has average satisfaction on network of different mobile service providers. It is found that 3 numbers of respondents has poor satisfaction over network of different mobile service providers

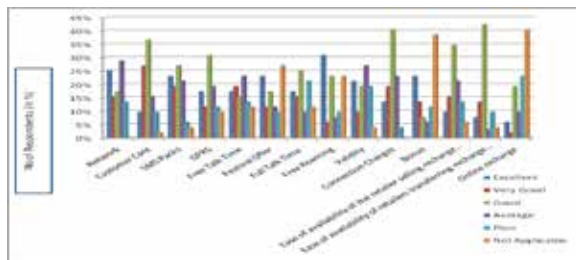
Table: Degree of satisfaction over Components of mobile service providers

Components	Degree of Satisfaction					
	Excellent	Very Good	Good	Average	Poor	Not Applicable
1. Network	25%	15.4%	17.3%	28.8%	13.5%	0
2. Customer Care	9.6%	26.9%	36.5%	15.4%	9.6%	1.9%
3. SMS Packs	23.1%	19.2%	26.9%	21.2%	5.8%	3.8%
4. GPRS	17.3%	11.5%	30.8%	19.2%	11.5%	9.6%
5. Free Talk Time	17.3%	19.2%	15.4%	23.1%	13.5%	11.5%
6. Festival Offer	23.1%	11.5%	17.3%	11.5%	9.6%	26.9%
7. Full Talk Time	17.3%	15.4%	25%	9.6%	21.2%	11.5%
8. Free Roaming	30.8%	5.8%	23.1%	7.7%	9.6%	23.1%
9. Validity	21.1%	9.6%	19.2%	26.9%	19.2%	3.8%
10. Connection Charges	13.5%	19.2%	40.4%	23.1%	3.8%	0
11. Bonus	23.1%	13.5%	7.7%	5.8%	11.5%	38.5%

12. Ease of availability of the retailer selling recharge coupon	9.6%	15.4%	34.6%	21.2%	13.5%	5.8%
13. Ease of availability of retailers transferring recharge voucher	7.7%	13.5%	42.3%	3.1%	9.6%	3.8%
14. Online recharge	5.8%	1.9%	19.2%	9.6%	23.1%	40.4%

Source: Primary Data

Figure: Degree of satisfaction over Components of mobile service providers



Source: primary data

Table: overall customer satisfaction over the selected service quality dimension of telecom services

SERVICE QUALITY DIMENSIONS	AIRTEL	BSNL	RELIANCE	VODAFONE	AVERAGE
1. Network	3	2.61	2.8	3.21	2.90
2. Customer Care	3.2	2.5	2.6	3.47	2.94
3. SMS Packs	2.4	2.78	3	2.79	2.74
4. GPRS	3.6	3.28	3.5	3	3.34
5. Free Talk Time	2.2	3.11	3.8	3.53	3.16
6. Festival Offer	2.6	3.94	3.1	3.63	3.32
7. Full Talk Time	2.2	3.39	2.8	3.95	3.09
8. Free Roaming	3.6	3	2.8	3.74	3.29
9. Validity	2.8	2.89	3.6	3.53	3.21
10. Connection Charges	2.2	2.61	2.7	3.32	2.71
11. Bonus	2.8	2.72	3.5	4.42	3.36
12. Ease of availability of the retailer selling recharge coupon	2	3.17	3.8	3.53	3.12
13. Ease of availability of retailers transferring recharge voucher	2	3.28	3.6	3.37	3.06
14. Online recharge	3.8	4.61	4.8	4.79	4.5
AVERAGE score	2.74	3.14	3.31	3.59	3.19

Source: primary data

The above table shows service quality dimension of mobile service providers. From the table it is observed that the overall average score of selected mobile service providers like Airtel, BSNL, Reliance and Vodafone are 2.74, 3.14, 3.31 and 3.59 respectively. The average score in different dimension of service quality are Network 2.90, Customer Care 2.94, SMS Packs 2.74, GPRS 3.34, Free Talk Time 3.16, Festival Offer 3.32, Full Talk Time 3.09, Free Roaming 3.29, Validity 3.21, Connection Charges 2.71, Bonus 3.36, Ease of availability of the retailer selling recharge coupon 3.12, Ease of availability of retailers transferring recharge voucher 3.06, Online recharge 4.5

CONCLUSION

The main aim of this paper was to probe the customers' satisfaction on cellular services on the basis of some fourteen such service counts that the cellular service providers offered to the customers in the present market scenario. The study indicates that the customers have shown their satisfaction on GPRS service (3.34), festival offer service (3.32), free roaming service (3.29), validity service (3.21), bonus service (3.36) and online recharge service (4.5). However the customers have reflected their dissatisfaction with the service quality of network (2.9), customer care (2.94), SMS packs (2.74), free talk time (3.16), connection charges (3.71), Ease of availability of the retailer selling recharge coupon (3.12), Ease of availability of retailers transferring recharge voucher (3.06).

As far as the performances of the cellular service providers are concerned, the performances of Vodafone and Reliance were found to be satisfactory whereas the performances of BSNL and Airtel were found to be dissatisfactory since the overall satisfaction scores of the customers of these latter brands were below the standard i.e. 3.19. Moreover, out of two performers i.e. Vodafone and Reliance, the customers of Vodafone were found to be more satisfied than the customers of Reliance.

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