



CONSUMER PREFERENCE TOWARDS MOBILE SERVICE PROVIDERS IN AHMEDABAD CITY: COMPARATIVE STUDY IN REFERENCE TO SELECTED TELECOM COMPANIES

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ABSTRACT

Telecom industry is booming like anything in last few years and as India is developing country become huge market for the same. With telecom, Information Technology have make revolution in all over the world. India has second highest population in the world shown highest growth in last decade in cellular services. Before 25 years people preferred wire line service, paid high charges to talk and connectivity was very slow. Even for companies it is not possible to give more services than normal telecommunication. Wireless made a revolutionary in the telecom industry and wire lines were died as technology. People started using wireless technology along with the extra services. Consumers are getting number of choices from service providers and add on services. Telecom industry made vast improvement over the years and today is the scenario where life is not possible without the cell phone. In India, many companies are offering mobile services like Idea, JIO, Vodafone, Airtel, BSNL/ MTNL, etc. Government has also initiative of local and long distance telephone services. Some players are offering their services in few states while others are playing in all over India. Customers prefer services according to their convenience and according to their preference. The aim of the study is to know the preferences of consumers about service provider about service provider.

KEYWORDS: Mobile Service provider, telecom companies, Information technology

INTRODUCTION

From last decade the mobile communication market has reached in the highest development phase. There more than 50 billion users which is equivalent to 1/3 of the world population. It is estimated to be increase every year in fact every day. Revenue has been increased every year and contributed to the Gross domestic product of the country. Not only in India but all over the world mobile communication contributes a lot in last few years. It is matter of the research for the service provider companies to acquire more and more market shares. To know the consumer's requirement and their perception for selecting service provider is very important question for every service provider. More and more companies are trying to find the behavior of consumer by means of Marketing Research. Consumer preference is one of most studied fields. The importance of Consumer preference in the mobile and preferred services in GSM and CDM category throughout the world has been increased every day. Companies spend considerable time in planning such activities.

Consumer preference is an important or helpful for any marketers to design their strategies and sales promotion. If marketers are aware of the important criteria consumers look for any particular product they can successfully design their plans accordingly so that they can capture large pull of market. From small pin to large cars in every purchase consumers look different factors on which they compare their perceptions with product.

Of course, consumer importance factors are different for different products it also changes from consumer to consumer also. However, there are millions of products. For that I have selected so many criteria which are to be rated on their order of importance by respondents.

TELECOM INDUSTRY IN INDIA

Over the year the Indian telecom industry passed through many phases of growth and diversification like other industrial sector. Starting from 19th century to the 2018, telephonic communication has expanded to use of different advanced technologies like GSM, CDMA, 2G, 3G and 4G where 5G is about the come. To give something unique and new private as well as public players are giving their extra efforts and emphasis on the improvement in the telecommunication technology.

The Indian telecom sector can be divided in the two main segments where there is one segment who wants extra features and services while other is using purely communication services. All the players are facing hardcore competition in the both the segments. Yet there is one special segment of people still have faith in fixed line wired communication. Players like BSNL, MTNL, VSNL and reliance are capturing their market in fixed line yet while Vodafone, Idea, Airtel, Uninor, Reliance (JIO) are coming up with new add-on services and special tariffs plans with internet gain

the advantage in wireless communication. In fixed line telephone government is yet securing good market shares and earn 60% revenue

In this paper, we have selected three telecom companies, i.e., Airtel, IDEA, and Vodafone. These companies altogether account for nearly 67% of the telecom sector's revenues.

As discussed before Indian telecom industry came in the existence in mid-1990 cellular service providers are doing extremely well in generating revenue. Their average per annum growth rate has been more than 85%.

LITERATURE REVIEW

Jegan, Sudalaiyandi (April, 2012) examined the consumer behavior towards mobile service provider in Thoothukundi district (India). According to them tariff reduction is always increased the users. As far as telecom industry is concern main drivers of industry are service provider where manufacturer of equipments are growing with them. In their study researchers focus on the consumer preferences and satisfaction level among the mobile service provider of Thoothukundi district.(India) 100 samples have been collected from the users of different service provider. Study concluded that call tariffs is the main factor while network and brand image impact on the consumer's decision to choose service provider.

Madhuri, Sachin(2013) studied the Consumer preferences towards various mobile service providers in India. There are so many players in the market competing with each other to provide services with quality and efficiently to their consumers. In their studies they revealed that consumer gives preference on the basis of tariffs, coverage of network and value added services. Researcher concluded the study with most preferred brand as BSNL while all the customers are well aware with latest schemes and offers available by service provider.

Marija, Marko, Mirko (2013) used Conjoint Analysis for understanding amongst student Preferences for Postpaid Mobile Services. In this paper, researcher emphasis and give insights into how students of university utilize the services and value aspect of service provider through conjoint analysis. Preference-based segmentation is performed to isolate homogeneous consumer segments on the output from the conjoint analysis that possess similar preferences for mobile phone service. The main aim of the paper was to suggest a marketing strategy for mobile phone operators.

Tripath, Singh (Sept-2012) studied an Empirical Study of Consumer Behavior towards The Preference and Usage of Mobile Phone Services in Bhopal. Researcher observed that

Purchasing behavior involves convoluted services of stimulus and response. Motives are known as such stimuli. When someone purchase the anything such motives may be unexpressed also and need very deep seated or felt desires to purchase the product. Psychologically needs and want of

person require to satisfy. Modern Consumer is not purchasing any product after checking features only but also see the value added services and other benefit they will get. The study is an attempt to find out different factors which involves in the selecting connection and preference by consumers when selecting mobile phone.

Muthumani , Thangavel, Choudary (Dec. 2007) studied on the topic “Consumer Preference on Mobile Connections and Buyer Behavior Towards Reliance Mobile in Chennai City”. The aim of the study was to find out the customer preference of buyer behavior and mobile connection. Emphasis was specifically given to the reliance telecom. The study was undertaking to check the preference level of customers towards different mobile connection.

The above Literature clearly stated that preferences of consumer are subject to change time to time which is directly related to the existing consumers and their views. It may happen that branding, offers, specific models and packaging motivates the service provider to attract sometimes new customers. But majority of the studies focused on the customer and their preferences.

RESEARCH METHODOLOGY

➤ **OBJECTIVE OF THE STUDY**

- ✓ To understand the factors affecting consumer preferences about mobile service providers in Ahmadabad city.

➤ **DATA COLLECTION**

Structured questionnaire was formed to collect the primary data while various websites and newspapers sources are used as secondary data. To check the feasibility of questionnaire pilot survey was done through personal interview with structured questionnaire.

➤ **SAMPLE PLAN**

- ✓ To take samples from each group of society i.e. Students, Businessmen, Housewives, Service people of different age groups. We have decided such sampling as our company is mobile service provider, and nowadays the mobiles are used almost by each and every class and group of people. So it is the best sample plan for our research.
 - ✓ To take equal ratio of male and female.
 - ✓ To get views from 200 Students, 100 Businessmen, 100 Housewives & other 100 may be professionals and retired persons.
- **Sample Size:** The sample size is 500 for research.

➤ **Limitations of Survey**

As the aim of the paper is only check the preference of the consumer judgmental sampling is used with 500 sample size from huge population. The region is covered only Ahmadabad western part of mobile users of India.

❖ **DATA ANALYSIS**

Once the data is collected the actual work has been started. Only collection of data does not have any meaning and does not solve any purpose of marketing research. Data needs to be identified for classification and analysis. Along with which problem statements and opportunity should be identified for the marketers. Following data have been analyzed and presented.

Age

Below	18-25	25-40	Above	Total
15	245	140	100	500
3%	49%	28%	20%	100%

Occupation

Student	Businessman	Service	Professional	Housewife
185	130	110	20	55
37%	26%	22%	4%	11%

By analyzing data, we know that students are more as they are ready to give information compared to other group of society, and businessmen & service people are more or less equal.

Which co.'s connection are respondents currently using?

Vodafone	Airtel	BSNL	Relianc	Idea	Tata
205	100	45	55	90	5
41%	20%	9%	11%	18%	1%

From above data, it is clear that Vodafone users are 41% which is highest. It is also clear that Airtel & Idea are close competitors according to this data.

Comparison of the co.'s connection respondents are having with their age

	Vodafone	Airtel	Idea
Below 18	0	5	5
18-25	105	55	50
25-40	65	40	45
Above 40	65	50	15

We have compared age with company because we want to know that is particular age group people prefer any particular company's service. And we found that Vodafone is used by each age group of people.

How did respondents know about this connection?

Advertisement	Friends	Family	Relatives
170	135	140	55
34%	27%	28%	11%

By analyzing this data, we can say that advertisement plays an important role to consumers to select particular company. Also the influence of family & friends is more.

Why did respondents go for this co.'s connection?

Offers	Brand name	GPRS	Service	Network	Schemes
85	105	5	75	125	105

Most of the respondents take the mobile connection on the basis of network. Also they are attracted to particular company due to its brand name, schemes and offers.

Comparison of company & why respondents have selected that particular company

Particulars	Offers	Brand name	Service	Network	Schemes
Vodafone	7	17	11	27	8
Airtel	6	6	5	3	7
Idea	6	4	4	3	6

To know which type of image customers have about the company, we have taken this comparative analysis. And we found that most of the Vodafone users have selected Vodafone because of its network.

DATA TESTING WITH THE ANNOVA

H0: Customer prefers Vodafone than any other company.

	Vodafone	$(X_i - X_1)^2$	Airtel	$(X_i - X_2)^2$	Idea	$(X_i - X_3)^2$
Offers	7	49	6	0.36	6	1.96
Brand	17	9	6	0.36	4	0.36

Service	11	9	5	0.16	4	0.36
Network	27	169	3	5.76	3	2.56
Scheme	8	36	7	2.56	6	1.96
Total	70	272	27	9.2	23	7.2

$n_1 = 5$

$n_2 = 5$

$n_3 = 5$

$X_1 = 14$

$X_2 = 5.4$

$X_3 = 4.6$

$(X_i - X_1)^2 / (n-1) = 68$

$(X_i - X_2)^2 / (n-1) = 2.3$

$(X_i - X_3)^2 / (n-1) = 1.8$

$$\sigma^2 \text{ (within)} = (n-1) (\text{box value}) / (N-K)$$

$$= 4 (68+2.3+1.8) / 12$$

$$= 24.03$$

n	Xi	Xy=T/N	(Xi-Xy) ²	n(Xi-Xy) ²
5	14	8	36	180
5	5.4	8	6.76	33.8
5	4.6	8	11.56	57.8
Total				271.6

$$\sigma^2 \text{ (between)} = n(Xi-Xy)^2 / (N-K)$$

$$= 271.6 / 15$$

$$= 18.10$$

$$F = \sigma^2 \text{ (within)} / \sigma^2 \text{ (between)}$$

$$= 24.03 / 18.10$$

$$= 1.32 = \text{calculated value. Table value} = 3.29$$

Now, calculated value < Table value. (Accepted) Therefore, it is true that customer prefer Vodafone than any other company.

Respondents' views about VODAFONE

Particulars	Excellent	Good	Average	Poor
Customer Service	14	25	2	0
Network	31	10	0	0
Offers	6	17	15	3
Other Schemes	4	15	20	2
SMS Schemes	4	12	20	5

This data is of 41 people who are using Vodafone. From this data, it is clear that Network of Vodafone is excellent and its customer service is also good whereas its offers and schemes are good or average but not excellent.

Respondents' views about AIRTEL

Particulars	Excellent	Good	Average	Poor
Customer Service	1	13	5	1
Network	3	8	9	0
Offers	4	14	2	0
Other Schemes	2	12	6	0
SMS Schemes	7	7	2	4

Airtel network is good or average. Very few people replied that its network is excellent. Its customer service, offers and schemes are also good but not excellent. SMS scheme is excellent or good.

Respondents' views about IDEA

Particulars	Excellent	Good	Average	Poor
Customer Service	4	13	0	1
Network	7	10	1	0
Offers	4	8	6	0
Other Schemes	3	7	7	1
SMS Schemes	4	5	7	2

Network of idea is excellent or good. Its customer service is good whereas its offers and schemes are good or average.

Do respondents want to change company?

Particulars	Yes	No	Can't Say
Vodafone	50	130	45
Airtel	40	60	40
Idea	50	50	35

Total 140 out of 500 people want to change the company.

Which co.'s connection respondents will like to take in future?

Company	Vodafone	Airtel	BSNL	Reliance	Idea
Vodafone	10	25	20	10	20
Airtel	5	5	20	5	10
Idea	10	15	5	5	5

In the above data, some people are not confirmed which company's connection they will take so they have replied for more than one company.

Why will respondents go for this connection?

Company Name	For better Service	Due to rate difference	For a change	For new Scheme
Vodafone	35	35	5	45
Airtel	10	20	2	10
Idea	20	10	3	10

The response for why they want to change company is mix. Most of the Vodafone users want to change company for new schemes, call rate difference and to get better service.

FINDINGS

- Vodafone network is excellent and customer service is good but its offers and schemes are average. Whereas Airtel network and customer service are good or average but its offers and schemes are good.
- We find from our research that the network coverage of Vodafone in other state apart from Gujarat is not that good as compared to airtel, may be that could be a reason for Airtel has got the No 1 position as far as market share is concerned.
- In our research, airtel and idea are close competitors of Vodafone.
- Vodafone, Airtel and idea are used almost by each age group of people equally.
- Most of the respondents are using prepaid connection. 70% people are using prepaid connection whereas only 30% have postpaid connection. Also the life time prepaid users are less as they find it costly and schemes available in lifetime are very less.(From exploratory research)
- Most of the Vodafone users have taken that connection due to network and brand name whereas airtel and idea users' response is more or less equal for brand name, offers schemes, network and service.
- Almost 30% people are not aware about offers and schemes available to them of each company.
- Vodafone users rated 'excellent network' as the highest rated attribute/service of Vodafone.
- Out of 500 people, 140 want to change the company.
- The respondents who want to change company having connection of Vodafone are due to call rate difference, better service or for new schemes whereas the respondents having airtel want to change because of call rate difference. The idea users will change for better service.

CONCLUSION

Mobile service providers are facing very high competition. It is essential for them to know the preferences of the consumer. They must focus on the young people segment to know their preferences who are always ready to do the experiments and switch to the other options very easily. This segment makes significant difference on the future users. Meeting the needs and requirements of this category of users can have a result of long-term loyalty to a particular company and its products or services.

In India consumers have wide options to select from where service providers have opportunity to identify the needs of the consumer and provide them qualitative and efficient services as well. In this paper, study revealed the preference of consumer for mobile service provider which is dependent on the tariff calls, coverage of network and value added services. Apart from that

consumers are also influenced by the advertisement. Vodafone is found most preferred mobile phone service providers among all. It has been also concluded that consumers have enough knowledge of value added services and offers by their service providers.

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