

Service quality of cellular services: A case study

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Abstract

The study analyzed service quality of cellular services at K.R Nagar taluk of Mysore district. The study has collected 18 samples from town and 88 from different villages of K R Nagar. It mainly emphasized on perception, expectation and satisfaction of customers and analyzed various services offered to customers of K R Nagar. Primary and secondary sources are used for the study. The Data analyzed with the help of SPSS and statistical tools. Study has identified that respondents are satisfied with all the dimensions of service quality like tangibility, reliability, assurance and empathy except responsiveness. Respondents are expecting low prices for call rates, message packs and tariff plans on the other hand they have expressed good opinion about attributes offered.

Keywords: Service quality, customers' preference, customers' satisfaction, customers' loyalty, service attributes.

Introduction

Telecom players are in ferocious competitive edge. Competitors are many and are rushing towards earning profits and to boost market share. Indian telecom sector is offering expedient services to every nook and corner of the country. It has become the second largest network in the world. As of June 2015 it holds 1006.96 million subscribers. Overall tele-density in the country is 79.98%. Urban tele-density is 149.46% whereas rural tele-density is 48.66%. The broadband subscribers are about 108.85 million. Major players of this sector are BSNL, Airtel, Vodafone and Idea. These players are offering mobile, wire-line and internet services. The sector is offering 2G and 3G services and has introduced 4G services.

Understanding expectation and satisfaction of customers has become crucial. Perception of customers has an influence on expectation and satisfaction about brands or services. Service provider should understand customers' service oriented anxieties. Hence, need for analyses and assessment of offered services and offering services which may help service provider from losing their customers.

Review of literature

Sandhya joshi, praveen khurana and shashi khurana (2010) explored the key dimensions of service quality of mobile services in the telecom sector. It is found that the dimensions like network quality, responsiveness and other dimensions considered has an important dimensions influencing customer satisfaction. The study suggested that mobile service providers have to give more importance to network quality; network quality has an influence on customer satisfaction.

Liisa Ndapewa Kaapanda (2012) explored critical factors in selection of mobile telecommunication service providers in the northern region of Namibia. The study reveals that customers selection of mobile service providers is influenced by overall service quality, free calls and free SMS, network capability, reliability of service, network innovativeness, low rate charges, accessibility, promotions with discount, refund and free sample, geographic network coverage, family, friends and customer

care. It is also found that customers prefer subscribing to the same service provider as their family members and friends prefer. The visually appealing physical facilities high profile customers, celebrity promotional activities and special mobile number were found to be the least influential factors in selecting mobile telecommunication service provider. The study recommended the specific marketing strategies to enhance the success of MTSPs in this competitive market and ensure quality service delivery to satisfy customers. (3)

Sadananda Sahoo and Sebasis Mohapatro (2012) examined consumers' buying motives in cellular services in twin city of Orissa. The results indicate that for gaining customers inclination, cellular operators should care more for better network, better customer care, and good services. Whereas, the existing customers are not satisfied with the cellular services and having well prospective for cellular services providers. The study suggested that they should give more importance to price, properties and other value-added services (VAS) as it affects decision of the consumers to a larger extent.(4)

Md. Rifayat Islam (2012) explored the dimensions of service quality on the perceived performance of the mobile phone users of Bangladesh. The study has concentrated on reality gap analysis. It is found that four hypotheses were taken on the fact that there is a gap existing between expectation and perception in this dimension and all hypotheses are proved significant and they all are accepted after conducting paired T test. Study concluded that the customer care centers of Bangladesh are not performing up to the satisfaction of the customers and they need to take corrective steps to minimize these gaps as early as possible. (31)

Muhammad Sabbir Rahman (2012) examined the determinants that are significantly influencing telecom customer's perception in Bangladesh. The study surveyed 450 telecom customers in Bangladesh from Dhaka city to determine the key influential factors that significantly influence on their perception. The study revealed that most of the consumers are very concern about the service delivery and corporate image on the other hand the satisfaction is not very important concern for them. It

is also observed that the competition among the mobile phone service providers in Bangladesh is more intense now than ever before. They compete not only for network quality by a large amount of investment in network quality, network extension and upgrading, but also for the acquisition of new customers and retention of old customers by direct and indirect price reduction. Network quality is one of the important factors of overall service quality. Study suggested that the mobile phone operators in Bangladesh must put their attention on service quality, corporate image to influence the current and potential customers. (32)

Rajkumar Paulrajan and Harish Rajkumar (2011) investigated the consumer's perception while selecting cellular mobile telecommunication service providers. The data analyzed through reliability and factor analysis. The results showed that communications and price were influential and most preferential factors in selecting telecommunication service provider and product quality and availability has a significant impact on consumer perception choice in selecting cellular mobile service provider. (50)

Sunil kumar Jena (2012) explored the customer satisfaction and brand loyalty in cellular services. This study has taken eighteen variables and that to one each under five factors are significantly responsible for consumer satisfaction. 'Brand loyalty', among all the factors, plays a significant role in determination of customer satisfaction. It is found that higher the brand loyalty more is the level of consumer satisfaction. (5) R.C.Upadhyaya, Vashundhara sharma (2012) in this research paper, special emphasis has been laid over the comparative analysis of telecom companies AIRTEL and BSNL by using primary sources of data in Gwalior division of Madhya Pradesh, for the completion of efficient research work, descriptive and exploratory research design has been used which further conclude that BSNL is having week network performance as compared to Airtel. Trends of pervious 5 years in Gwalior division have shown that BSNL Company has slowly deteriorated its position. After analysis it is found that customers are very satisfied with the services provided by Airtel. Customers are not satisfied with the services that are providing by BSNL. In some cases there is need to improve the services of BSNL.

Ching – Fu Chen and Lee-Ting Cheng (2012) explored mobile phone service loyalty and the relationships between service quality, perceived value, satisfaction and loyalty of mobile telecom services. The study used structural equation model to examine the relationship. The results revealed that a relationship path of quality, value, satisfaction loyalty is supported in general. Service quality has positive direct effects on perceived value and satisfaction, perceived value has positive direct effects on both satisfaction and satisfaction has a positive effect on loyalty. (86)

Chosniel Elikon Ocloo and Ernest Kafui T setse (2013) identified whether quality service has a relationship with customer retention and whether there is interplay between customer satisfaction and retention in Vodafone. 134 respondents were selected. The study revealed that there is a relationship between quality service and satisfaction while customer satisfaction to large extent influences customer retentions. This finding holds implications for industry operators on key areas to pay attention in order to improve customer satisfaction so as to guarantee customer retention. (93)

Need for the study

Cellular service providers have captured customers of urban, semi-urban, even from rural areas. But, there is lack of concentration from the service providers on rural areas. Most of the research work is done on urban areas. Service providers are lagging behind in understanding rural customers' perception, expectation and satisfaction. Hence, needed for assessment and understanding of expectations and satisfaction of the rural customers. So, the present study has taken town and rural areas, concentrated more on rural areas of Krishna Raja Nagar.

Scope of the study

Study has taken Airtel cellular subscribers from town and different villages of Krishna Raja Nagar taluk of Mysore district.

Objectives

1. To analyze services offered by cellular service provider at KRN town and village.
2. To study perception and expectation of customers of KRN town and village.
3. To describe the satisfaction of customers of KRN town and village

Hypotheses

- H₁ There is an association between service quality and customers' preferences
- H₀₁ There is no association between service quality and customers' preferences
- H₂ There is a gap between performed services and customers' satisfaction
- H₀₂ There is no gap between performed services and customers' satisfaction
- H₃ There is a relationship between customers' loyalty and service offered
- H₀₃ There is no relationship between customers' loyalty and service offered

Methodology

The study is empirical and considered primary and secondary data as sources of data. Primary source like, self-administered questionnaire and personal interview were conducted for the study. Periodicals, newspapers and web source are utilized for the study. Study has applied Chi- square, Regression analysis and Cronbach's Alpha in order to analyze collected data with the help of SPSS package.

Sample size

The study has taken cellular subscribers from Krishna Raja Nagar, 18 respondents from the town and 88 respondents from different villages. The total sample size is 106.

R	88
T	18
Total	106

Results of the study

- H₁ There is an association between services quality and customers' preferences
- H₀₁ There is no association between services quality and customers' preferences

Table 1: Chi –Square Test

Variables	Value	Df	Asymp.sig (2- tailed)
Tangibility	.809 ^a	2	.667
Reliability	11.997 ^a	2	.002
Responsiveness	.809 ^a	2	.667
Assurance	.534 ^a	2	.766
Empathy	.534 ^a	2	.766

(Field work)

It shows that, there is an association between service quality and customers' preference p value is showing more significance level except reliability. So, study rejects null hypothesis and accepts alternative hypothesis.

H₀₂ There is no gap between performed services and customers' satisfaction

H₂ There is a gap between performed services and customers' satisfaction

Table 2: Chi-Square Test

	Value	Df	Asymp. sig (2-sided)
Call rates	1.760 ^a	3	.624
Message pack	5.375 ^a	4	.251
Tariff plan	4.300 ^a	4	.367
Billing system	4.935 ^a	4	.294
Network quality	14.080 ^a	3	.003
Validity	2.266 ^a	3	.519
Accessibility	2.892 ^a	4	.576
Value added services	5.453 ^a	5	.363

(Field work)

As per the results, attributes are showing high significant level except network quality which is less than significant level 0.03<0.05. So, study accepts null hypothesis and rejects alternative hypothesis i.e., there is a gap between performed service and customer satisfaction.

H₃ Customers' loyalty is positively associated with service offered

H₀₃ there is no relationship between customers' loyalty and service offered

Table 3: Reliability Statistics

Cronbach's Alpha	N of Items
.613	7

Study has considered dependent variable as a customer loyalty and independent variable as attributes offered by service provider. Cronbach's alpha showing 0.613, which indicates there is a high significant level and all variables are reliable.

Finding of the study

- Chi-square tests shows that Customers preferences is associated with quality of services
- Variable reliability is found insignificant.
- Customers are satisfied with attributes offered by service provider and not with network quality.
- Cronbach's Alpha tests shows that scales used for analyses are reliable and showing high significance level.

Conclusion

The study has taken Service quality dimensions to analyze quality of services, perception, satisfaction and loyalty of

respondents of KRN town and villages concerned. As per the observation, respondents of KRN town and village are receiving good quality of services. The respondents of both town and village have expressed good opinion about their opted services. Respondents are satisfied with all the dimensions like tangibility, reliability, assurance and empathy except responsiveness. As per the respondents opinion service provider staff are not showing willingness to solve problems of customers, lack of information about services performed like, unnecessary deduction in call rates, deducting more call prices to actual call prices. Lack of information about not opted activated services other than actual services. Attributes like call rates, message pack, tariff plan, value added service and accessibility are showing high significance level. Where customers have given good opinion about attributes offered. Most of the customers' feels that service provider should offer call rates at low prices because most of the respondents are from different village of KRN. The respondents from town expect that more message offers at low prices and proper network coverage.

Suggestions and recommendations

As per the respondents opinion, researcher would like to suggest that service provider has to analyze services offered at KRN town and different villages. Because there is a gap between expected services and customer satisfaction, service provider has failed to understand the expectation of the customers.

- Need for varieties of offer in tariff plans with low price
- Necessary for improvements in network quality
- Need to introduce different offers in call rates with low prices
- Scarcity about different message offers and value added services
- Need for an assessment of expectations of the KRN respondents of town and different villages
- Review has to be made towards responsiveness. Because respondents are satisfied with all the dimensions except responsiveness.

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