

## Customer Satisfaction with respect to Mobile Services in Uttarakhand

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### Abstract

Customer satisfaction has been a fundamental marketing construct in the last three decades. In the past, this concept was unpopular and unaccepted because companies thought it was more important to gain new customers than retain the existing ones. However, in the present decade, companies have gained better understanding of the importance of customer satisfaction (especially service producing companies) and adopted it as a high priority operational goal. Customer satisfaction depends on a product perceived performance. If it falls short of the customer expectations, the buyer is dissatisfied; if performance matches expectations, the buyer is satisfied; and if performance exceeds expectations the buyer is delighted. Marketing companies go out of the way to keep their customers satisfied. Satisfied customers make repeat purchases and they tell others about good experiences with the product. In general, satisfaction is a person's feelings of pleasure or disappointment resulting from comparing a product perceived performance in relation to his or her expectations. Hence, in this paper, an attempt is made to examine the satisfaction regarding call charges, customer care and services being used in Uttarakhand.

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### INTRODUCTION

Ever since the evolution of man on this earth, he wanted to communicate with his fellow human beings. In that era, he used to communicate through signs and symbols. Gradually, with the passage of time, he started using words; and today, it is through mobiles, e-mails, fax, etc. through which he communicates with others.

Invention of mobile phones has given a huge boost to telecommunications in India. Today, constant efforts are being made, both by public and private sector to enhance telecommunication facilities. In today's era of globalization, India is rapidly developing as a telecommunication giant in the global scenario. BSNL, MTNL, Idea, Reliance, Airtel, Vodafone are some of the leading service providers in India. BSNL is the world's seventh largest telecom company in terms of the number of subscribers. In 1975, it was the department of telecom which had the responsibility of providing telecom services in India. In 1985, Mahanagar Telephone Nigam Limited was established to provide services in Delhi and Mumbai.

At present, cellular telephone service has achieved great commercial success with reduction in prices and has improved functionally. Consumers in the developing India prefer the flexibility and versatility of mobile phone devices. Decrease in the price of phone sets and tariffs have paved the way for increased usage of mobiles in masses. Mobile phone facility is an easy and faster means of communication; and one communicates with family and friends, and transacts the business anywhere, anytime at a reasonable cost.

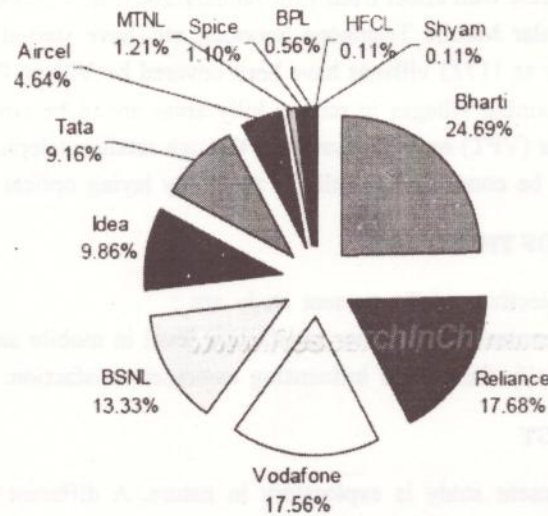
#### **MAJOR MOBILE SERVICE PROVIDERS IN INDIA**

The Indian telecom sector was thrown open to the private sector in the mid-nineties. This industry along with IT, was labelled as one of India's sunrise industries. Sensing the opportunity, a number of private players like Bharti Enterprises, Vodafone, Aircel, BPL mobile, the Tata and Reliance Infocomm have ventured into this sector. There are five major private service operators in each area, and an incumbent state operator. Almost 80% of the cellular subscriber base belongs to the pre-paid segment. The DoT has allowed cellular companies to buy rivals within the same operating circle provided their combined market share did not exceed 67 per cent. Previously, they were only allowed to buy companies outside their circle.

India has been divided into 19 business regions and four large city service regions in the mobile market, and it had issued 78 licenses to 22 companies. According to the national unified license system, the basic telephone operators can also apply for mobile business. Currently, there are over 140 GSM and CDMA operators in India, and the fierce competition makes the cell phone expense of subscribers shrink to just one-third of the figure in 2003. According to the statistics in the fourth quarter of 2008, the average monthly mobile phone expense per GSM subscriber was about INR 220, and INR111 for each CDMA subscriber.



Market Shares of Key Indian Mobile Operators, 2008



Source : TRAI; Research in China

### UTTARAKHAND TELECOM CIRCLE

Uttarakhand Telecom Circle consists of 13 Revenue Districts of Uttarakhand State. Most of the Uttarakhand Telecom Circle consists of hilly region. The Circle is having borders with two countries, i.e., China & Nepal. It covers a population of

Table 1

Details of the Various Telecom Services Operational in Uttarakhand Telecom Circle

No. of SSAs in the Circle	06
No. of SDCAs in the Circle	38
Total No. of Installed Capacity	488736
Direct Exchange Line	355000
Telephone Density	5.38
Waiting List	5719
Telephone Exchanges	444
Villages with VPTs	11729
Satellite Stations	46
SSAs with Internet Nodes	06
Revenue Districts with Internet Nodes	12
Internet Connections	17847

approximate 85 lakhs spread over more than 53000 Sq Mts. Since its creation as a new Telecom Circle with effect from 17th January 2001, new services like Internet, ISDN, IN, Cellular Mobile Telephone Services, etc. have started at many places shortly. As many as 11723 villages have been covered by Village Public Telephone (VPT); and remaining villages in remote hilly areas are to be covered by Village Public Telephone (VPT) on WLL system & through satellite telephones. Exchanges are proposed to be connected by reliable media by laying optical fiber cable.

#### **OBJECTIVES OF THE STUDY**

The objectives of the present study are :

1. To determine the customer satisfaction level in mobile services.
2. To identify the factors influencing customer satisfaction.

#### **METHODOLOGY**

The present study is exploratory in nature. A different method of data collection was applied to complete the survey work. Data was collected on customer satisfaction towards their mobile services and factors that they consider while purchasing the service through primary sources, whereas visits were also made to different libraries and government offices to collect information on various related issues from secondary sources. The study is confined to mainly four towns (Srinagar, Dehradun, Rishikesh and Haridwar) of Garhwal region out of which 75 respondents (25 each from BSNL, AIRTEL and OTHERS) have been selected from each town. Hence, the total sample size is of 300 customers identified on the basis of cluster sampling method and further their accessibility and convenience also taken into consideration. Primary data was collected through a questionnaire containing different close ended questions.

#### **SATISFACTION WITH CUSTOMER CARE, CALL CHARGES AND MOBILE SERVICE**

##### **Customer Care Service**

It is interesting to note that all the users of the respective services are satisfied with their customer care service. The opinion of the respondents observed in this regard that majority of the respondents were satisfied with customer care service in AIRTEL (62%), followed by OTHERS (59%) and BSNL (48%).

##### **Association between Demographics and Satisfaction with Customer Care Service**

To study the association between demographics and satisfaction with

customer care service in BSNL, AIRTEL and OTHERS,  $X^2$  test has been carried out and the following observations have been made :

$H_0$  : There is no significant association between demographics and satisfaction with customer care.

The results bring out that opinion towards satisfaction with customer care service in both OTHERS and AIRTEL is not significant with respect to gender, income and occupation, while it is missing in the case of BSNL. Whereas, in the case of age and education, the difference is significant with AIRTEL and BSNL but missing with OTHERS.

**Table 2**

Service	$X^2$ Calculated	D.f.	Significance
<b>Gender</b>			
BSNL	11.252	1	0.001
AIRTEL	0.322	1	0.571
OTHERS	0.195	1	0.659
<b>Age</b>			
BSNL	3.138	2	0.208
AIRTEL	5.349	2	0.069
OTHERS	12.482	2	0.002
<b>Education</b>			
BSNL	2.765	3	0.429
AIRTEL	4.345	3	0.227
OTHERS	7.879	3	0.049
<b>Income</b>			
BSNL	1.855	3	0.603
AIRTEL	10.579	3	0.014
OTHERS	12.355	3	0.006
<b>Occupation</b>			
BSNL	3.217	3	0.359
AIRTEL	8.637	3	0.035
OTHERS	12.820	3	0.005

### CALL CHARGES

It was noticed that the users of BSNL, AIRTEL and OTHER mobile services were satisfied with call charges as majority of the respondents were satisfied with



BSNL (62%) followed by AIRTEL (56%) and OTHERS (52%).

#### Association between Demographics and Satisfaction with Call Charges

To study the association of demographics and the satisfaction with call charges in BSNL, AIRTEL and OTHERS,  $X^2$  test was carried out and the following observations have been made:

$H_0$  : There is no significant association between demographics and satisfaction with call charges.

To know the difference between call rates charged by mobile service operators it was observed that there is no significant difference among all the three categories of service providers with respect to gender, education and occupation, whereas difference was significant for BSNL and AIRTEL regarding age and income, while it is missing for others.

Table 3

Service	$X^2$ Calculated	D.f.	Significance
<b>Gender</b>			
BSNL	1.182	1	0.277
AIRTEL	1.810	1	0.178
OTHERS	0.144	1	0.704
<b>Age</b>			
BSNL	1.065	2	0.587
AIRTEL	5.333	2	0.069
OTHERS	7.584	2	0.023
<b>Education</b>			
BSNL	3.553	3	0.314
AIRTEL	0.819	3	0.845
OTHERS	5.476	3	0.140
<b>Income</b>			
BSNL	0.130	3	0.988
AIRTEL	0.349	3	0.951
OTHERS	15.547	3	0.001
<b>Occupation</b>			
BSNL	2.263	3	0.520
AIRTEL	0.718	3	0.869
OTHERS	2.312	3	0.510

## MOBILE SERVICES

To study the association of demographics and satisfaction with their mobile services being provided by BSNL, AIRTEL and OTHERS, X<sup>2</sup> test has been carried out and the following observations have been made:

### Association between Demographic and Satisfaction with Mobile Services

$H_0$  : There is no significant association between demographic and satisfaction with mobile service.

The findings of the X<sup>2</sup> test reveal that there was no significant difference between satisfaction with the services of AIRTEL and the demographics, while the services of OTHERS are insignificant with gender, age and income. BSNL remains

Table 4

Service	X <sup>2</sup> Calculated	D.f.	Significance
<b>Gender</b>			
BSNL	7.521	1	0.006
AIRTEL	0.896	1	0.344
OTHERS	0.544	1	0.461
<b>Age</b>			
BSNL	0.972	2	0.615
AIRTEL	3.057	2	0.217
OTHERS	0.010	2	0.995
<b>Education</b>			
BSNL	14.395	3	0.002
AIRTEL	4.210	3	0.240
OTHERS	9.076	3	0.028
<b>Income</b>			
BSNL	5.694	3	0.127
AIRTEL	2.805	3	0.423
OTHERS	20.418	3	0.000
<b>Occupation</b>			
BSNL	3.296	3	0.348
AIRTEL	1.148	3	0.766
OTHERS	5.232	3	0.156

insignificant only for income category. Therefore, it is noteworthy that gender, age, education and occupation variables are significant in accordance of satisfaction with BSNL mobile services.

#### FINDINGS

- Regarding the customer care service, people are more satisfied with AIRTEL and OTHERS in comparison to BSNL.
- Users of all mobile services are satisfied with the call charges of their mobile service.
- There is no significant association between criteria of service selection and age, education and income.
- There is no significant association between awareness of customer care and age.
- There is no significant association between satisfaction with call charges and gender, education and occupation.
- There is no significant association between satisfaction with mobile service, and age and occupation.

#### CONCLUSION

Today, there are number of cellular service providers in the market and they differ in network of cities used, reputation, tariff on call made, etc. In the present world, even lower-middle class people are also using cell phone to replace the postal, telephone and telegram services. By considering this situation, cellular service providers have come up with different names. But users prefer to avail services from favourite service providers due to various regions. It is obvious that the coverage of area, billing system, plans offered and lower service charge than Department of Telecommunication service decide the use of cellular service.

With regard to customer satisfaction measurement, the results revealed that customers are satisfied with the performance of their mobile service providers. The interpretation of this result could be that customers are truly satisfied with the service performance (satisfied with experience of the mobile services use) or their satisfaction results from lack of competing services or it could be that the customers are new to satisfaction measurement and may not be able to express their perceptions well. Network and service quality demonstrated a strong influence on customer satisfaction. The implication of this finding is that network quality is the most significant for all the mobile services attributes and its quality strongly affects satisfaction. The study provided an opportunity to get the feedback of customers



about the cell phone services offered by the service providers. The results of the study have created a good image of the service providers. Majority of the respondents have given a favourable opinion towards the services being used. The study indicates that some problems exist which seek attention of the service providers. They need to bridge the gap between the services promised and services offered. In a nutshell, it is pertinent to note that majority of the respondents were satisfied with their mobile services, call charges and customer care services. However, the study brings out that BSNL must improve network quality along with customer care service to compete with the private service providers.

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