



CUSTOMER PERCEPTION IN TELCOMMUNICATION SERVICES A STUDY ON AIRTEL SERVICES AT BANGALORE

¹Dr. K. Nanje Gowda ²Dr. S. Nagabhushana

Assistant Professor, Department of Commerce,
V.V.Puram College of Arts and Commerce, K.R.Road,
V.V. Puram, Bangalore – 560 004, India.

ABSTRACT

Telecommunication sector today is undergoing rapid and relentless change marked with shrinking of the distance and minimising the time. The geography of the world is re-defined with the advent of sophisticated technology, which enables the telecommunication services delivery in real time. The sector is experiencing drastic changes enabling the corporate buyer and the common man to enjoy the fruits of reform process in the sector. The perennial development of the telecommunication sector, more particularly in the last decade of the last century, both horizontally and vertically has carved out sustained interest for all the stakeholders to probe and investigate with inquisitiveness of the covert and overt happenings as 'utilitarian phenomenon'. The telecommunication is the crucial change agent of the twenty-first century. In the knowledge era of today, tele-communication is the catalyst to advent Info-tech society heralding a deluge of change resulting in the way of living of people in the society beyond all imaginations. It is an inevitable industry touching all the people at all the times in the flow of their lives. The advancement of technology in telecommunication has reduced the gigantic world into a global village. Such is the vibrancy and the potentiality of telecommunications. For the past few years, the technology has advanced with gathering processing and distribution of information. It has led to enrichment of worldwide telecommunications, radio, television and launching of communication satellites. The economy is growing due to rapid technological process where the need for communicating each other has become a necessity. Organizations with hundreds of offices spread over wide geographical area routinely expect to gather information at their remote output at the push of the button. This realization resulted in sophisticated way of

communication that has led to development of mobile and telecommunication industry. The present research study throws enough light on the customers attitude and perception with special reference to the services provide by Airtel in Bangalore, Karnataka

Key Words: *Telecommunications, satellite, imaginations, utilitarian phenomenon, Airtel Services.*

Introduction

There is no doubt about the dynamic nature of telecommunication sector within the global economy. There is a wide recognition now that telecommunication is a strategic economic sector, in terms of being both a tradable service in its own right and the infrastructure via which other goods and services are traded (in the age of electronic commerce i.e., e-commerce) and delivered. The telecommunication industry is undergoing a fundamental change in the structure world over from that of monopoly to competition.

In the 21st century, there are four main trends that are shaping the world of telecommunications, media and entertainment. These trends are digitalization, convergence, fragmenting audiences, and the growth of internet. Today the communication has been modernized, from the telegraphic communication to the pocket sized mobile communication. The communication plays very crucial role to connect the people from different places within seconds at any time, at any place in the world. In this 21st century, mobile communication has revolutionized the mode of communication and changed the life style of the people. All most all the business people are using mobile communication for their business transactions. It also helps the companies to advertise their products and services through mobile phones with less time and reaching more people at lesser cost. It helps not only the business, but also covers all other human, social activities which take place. Hence the lives of the present generation in the world are mainly dependent on communication to survive and grow in the present competitive world.

However most of the populations of developing countries like India live in rural areas and often isolated areas. Access to information and telecommunication is essential for development of such areas. It is believed that people in rural areas are generally poor and only a few people can afford fixed telecommunication services, which reduce the number of potential consumers. The new wireless technologies have come to extend better advance cost-effective solutions.

Therefore, many developing countries are now in the process of developing policies to improve telecom penetration in rural areas. In this move many private entrepreneurs are invited to operate and compete with public sector in a much relaxed policies platform.

In the earlier days, government alone operated the telecommunication sector, but as the economy has its growth with more population and companies coming, the need for communicating mobile has gathered importance. This has led to liberalization and privatization of economy where new companies emerged in the mobile industry. In this whole process, companies like Airtel, Spice, Hutch and Reliance have taken birth.

These companies have entered into the market providing different types of services. In order to give good and accurate communication network companies ought to work with the help of satellite networks. At present, there are two types of satellite networks namely, Global System for Mobile Communication (GSM) and Code Division Multiple Access (CDMA).

The Present Study

This research is in pursuit of consumer satisfaction of mobile services rendered by Airtel in Bangalore district and to draw inferences about the benefits and utilities offered by the leading cellular service provider viz., Airtel to the rural and urban consumers of Bangalore District.

Review of Literature

Literature survey is the bedrock for carrying out any purposeful and objective research programme. The essence of review of literature lies in ascertaining the research gap. What has already been covered on the topic “Consumer satisfaction in telecommunication services” – A case study of Airtel in Bangalore by the earlier researchers and what needs to be covered speaks about the chasm. Accordingly, a sincere attempt has been made to identify the research gap. For this purpose, books, articles, reports, news bulletins, dissertations, theses, journals, magazines, international institutional reports, CD ROMs, microfilms and the like have been thoroughly and comprehensive reviewed. The review covers the opinions ideas and research findings of the luminaries in the telecom filed. The details are:

Anthony M. Townsend and Mitchell L. Moss (2005) in their research article coherently described the breakdown of essential communications and the risk associated with communication failures that remains serious because of growing dependence upon these tools in emergency operations.

Ashok Jhunjunwala, et al (2004) in their paper in an astute manner with great concern for the rural masses, outlines that for a very long time now, the developing world has carried the burden of colonization and slavery. This paper concentrated on how ICT can affect the lives of rural people in the developing world.

Ashok Jhunjunwala (2000) described the challenges of telecom sector in India and pinpoints that in the last ten years major implications have taken place in the Indian telecom scenario and further pointed out that India was emerging as a leader in WLL technology.

Akhil Gupta (2002) described that the telecom industry had been witnessing a dynamic change for the past two decades in the direction of market shifts, technological drivers and economic factors. The market shift variables are deregulation, globalization and consolidation.

Anurag Prasad (2005) observed that in India where teledensity has just crossed 10, a huge chunk of population, especially in the rural areas, remain untapped.

Objective of the Study

To find out the level of consumer satisfaction as regards Airtel services and the factors perceived by consumers, which contribute to their overall satisfaction of Airtel services and to derive findings and offer suggestions.

Research Methodology

The data needed for the study were collected from both the primary and secondary sources.

Primary Data

The primary data comprises the opinion gathered from the public through administering questionnaires. About five hundred questionnaires were distributed on random sampling basis in all the wards of the town to the targeted consumers out of which 300 respondents responded. The questionnaire method is chosen for its versatility, speed and cost benefit.

Field Work

The field work was conducted in urban and rural areas of Bangalore district. Interviews were conducted for customers of Airtel in places like colleges, business establishments and other

public places etc., through a questionnaire administered among them. In other words the following sampling plan was adopted.

Design of Sample

An integral component of research design is the sampling plan. It includes the following:

1. **The sampling unit:** The existing mobile users in Bangalore.
2. **The Sample Size:** Three hundred in numbers. It includes Airtel mobile users in Bangalore city.
3. **The sampling procedure:** Random sampling techniques were adopted, by approaching mobile users in both urban and rural areas of Bangalore district.

Secondary Data

Secondary data were collected from journals, dailies, company profiles and published literature from various magazines and newspapers.

Tabulation and analysis of data

The collected data were tabulated and presented through tables and graphs. In order to achieve the objectives of the study, the data were analyzed with the help of simple techniques of statistical analysis such as average, percentages, bar diagrams and in order to interpret data and draw conclusions.

An overview of Airtel

Airtel's fundamental focus remains on seeking out the best technology in the world and put it at the service of ultimate user or customer. Innovation is what separates leaders from followers, so Bharti Airtel from its competitors. Innovation that sets industry standards, raises the service bar, creates new paradigms, simplifies customer's lives and sets them free to express themselves.

From the very beginning of its existence, Bharti Airtel has been the leader of change in India's dynamic telecommunication space. This would not have been possible without passion for innovation. Their products, services, processes-all are guided by a desire to do things differently and better, as is evidenced by its customer self-care and single billing platform. Its innovation aims at enriching every aspect of customer's lives-to educate, entertains, inform,

update and stimulus. State of the art services like life time prepaid, RC 200, Easy Music, Airtel live stock ticker – to name just a few have distinguished Airtel from other competitors while ensuring better and exciting future for customer and for the country. Change is the only constant. One can either be par of it or lead it. Airtel is committed to leading change through constant innovation.

Customer responses on Airtel Services: An Analysis and Interpretation

With the fast spreading of cellular phone network and the emerging consumer preference towards cellular phone services, it is interesting to know about the people’s opinion on the services of cell phone providers. Thus an attempt has been made in this chapter to draw various inferences by analyzing the varied responses of the Airtel customers, the respondents in the research study.

Table 1: Age group of Respondents

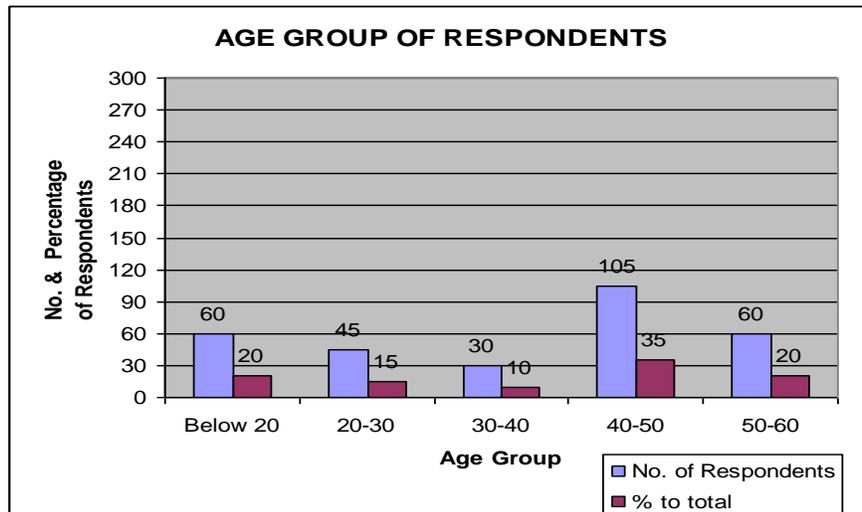
| Age Group | No. of Respondents | % to total |
|------------------|---------------------------|-------------------|
| Below 20 | 60 | 20 |
| 20-30 | 45 | 15 |
| 30-40 | 30 | 10 |
| 40-50 | 105 | 35 |
| 50-60 | 60 | 20 |

Source: Field Survey

It is evident thus that Airtel customers are spread among all age groups. It can also be inferred that more number of people opted to join during their forties and beyond. It also shows the maturity in their analytical abilities in choosing the best among the cellular service providers. The young are naturally lured by discounts and other enticing offers but are least bothered about after delivery performance of the product.

The above shows that a large number of respondents belong to the age group of 40-50 comprising 35 per cent of the sample chosen, followed by 20 per cent in the age group of below 20 and 50-60. 15 per cent of the respondents belong to age group 20-30 and only 10% of respondents belong to 30-40 age group. Hence, opinion expressed by the age group 40-50 are supposed to be matured one and the conclusions to be drawn are expected to have right perspectives.

Figure 1: Age group of Respondents



Thus, the study reveals that Airtel not only dominates the market share when compared to other competitors, but also reveals the presence of higher age group in its customer segment. Existence of senior customers with higher age groups shows market sustainability in the long run.

Table 2: Awareness of Respondents about various service providers

| Brand | No. of Respondents | % to total |
|----------|--------------------|------------|
| B.S.N.L | 120 | 60 |
| Spice | 112 | 56 |
| Reliance | 112 | 56 |
| Airtel | 152 | 76 |
| Vodafone | 120 | 60 |
| Others | 24 | 12 |

Source: Field Survey

The above table shows that 76 per cent of the respondents knew the services of Airtel. 60 per cent of the respondents expressed that they knew the services of B.S.N.L and Vodafone, 56 per cent of the respondents were also aware of the services of Spice and Reliance and 12% of the respondents aware of others.

Hence, it is evident from the above table that majority of the respondents i.e. 76 per cent are aware of Airtel services and also it indicates market share of Airtel. These 76 per cent respondents were also aware of other brands to a significant extent as shown in the table. This analysis helps in finding the edge of Airtel over others as well as the degree of emerging

competition from other service providers. The more the awareness of the existing customers for other brands, the more would be the likely penetration of the competing brands that might reduce the market share.

Figure 2: Awareness of Respondents about various service providers

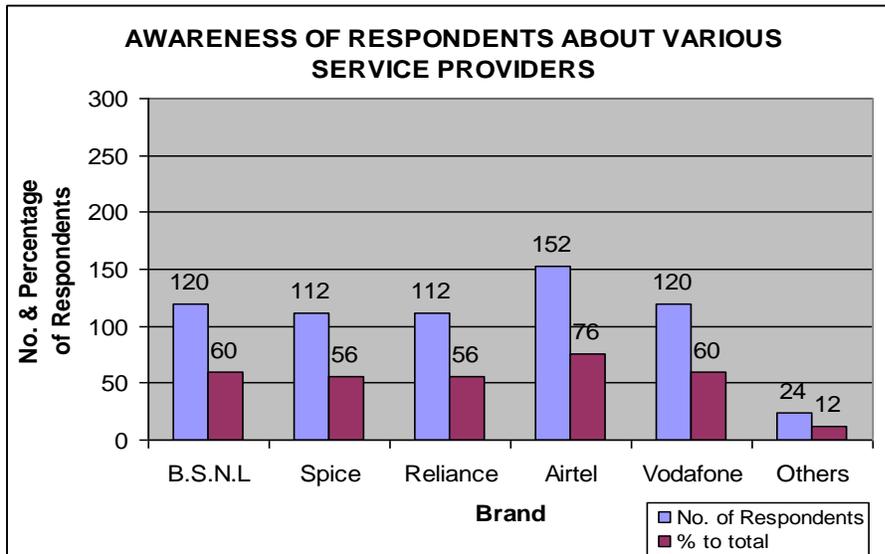


Table 3: Rating of Airtel Services offered by Respondents

| Rating | No. of Respondents | % to total |
|------------------|--------------------|------------|
| Excellent | 45 | 15 |
| Good | 120 | 40 |
| Average | 45 | 15 |
| Poor | 15 | 5 |
| Not so satisfied | 75 | 25 |

Source: Field Survey

The foregone table shows that 40% of the respondents graded services of Airtel as good followed by same number of respondents grading it as average; 15 per cent of the respondents stated that its services were excellent and only 5 per cent of the respondents graded them as poor. Overall, i.e. 55 per cent of the respondents rated Airtel services either as ‘excellent’ or ‘good’. The 30 per cent respondents (25per cent plus 5 per cent) who graded the services as ‘poor’ and ‘not so poor’ stated so mainly on account of some lacunae in the customer care department. They mentioned some specific problems like ‘unasked services’ and getting them subscribed. This problem specially arisen in the mistakes done by the customers in exercising

options. Respondents were of the opinion that Airtel should provide certain services like ‘missed call alert’ etc., cost free.

Figure 3: Rating of Airtel Services offered by Respondents

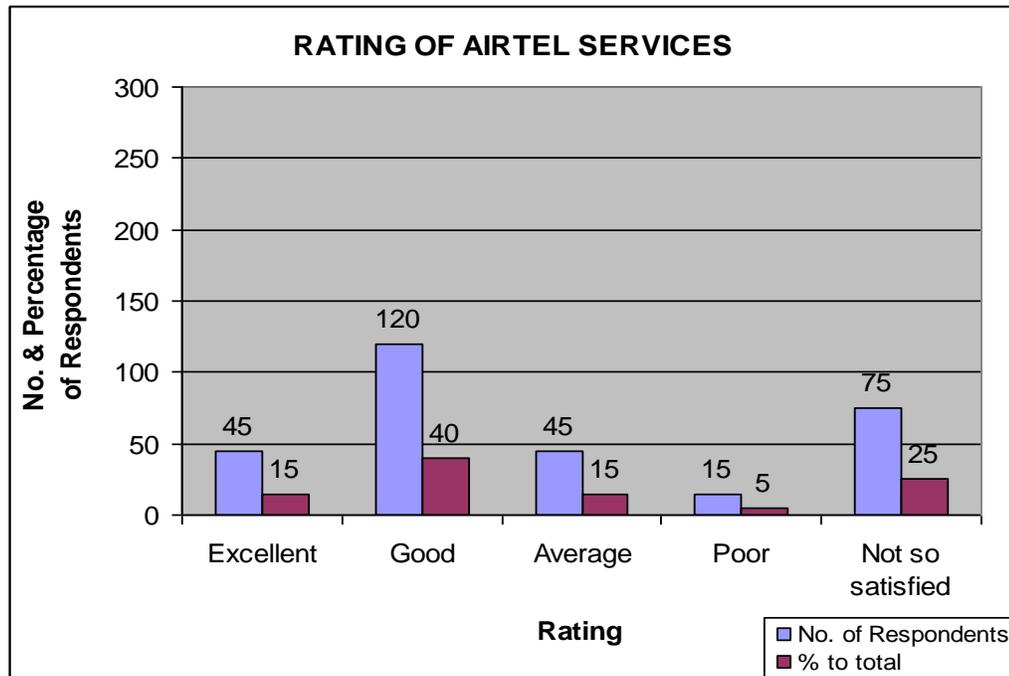


Table 4: Satisfaction expressed by Respondents about Airtel Services

| Satisfaction | No. of Respondents | % to total |
|---------------|--------------------|------------|
| Satisfied | 170 | 85 |
| Not satisfied | 30 | 15 |

Source: Field Survey.

It is evident from table 4 that the overall degree of satisfaction was very high about the various services of Airtel. Only 15% of them expressed dissatisfaction about the various services of Airtel.

Findings

Bharti Airtel – the leaders

Bharati Airtel has been the leader of change in India’s dynamic telecommunications pace with its passion for innovation.

Airtel – the innovator

Airtel is committed to leading change through constant innovation. The study reveals that Airtel continuously seeks opportunities to think ahead to consider alternatives to the old ways of working and its quest in making a genuine difference to customers.

Large base of Airtel customers

Airtel mobile service has crossed over more than 20 million customers and of late has been able to add more than a million customers every month. When compared to the other leading cellular services, viz., Reliance and BSNL, Airtel commands more than 34.5 per cent in the market share at all India level, followed by Vodafone (24%), BSNL (21.7%), etc.

Airtel unit mobile services constitutes the largest portion of its business

Airtel company has its presence in 3778 census towns and in 80,687 non-census towns and villages covering a sizeable 40 per cent of population.

Every citizen in India is a consumer of some product or service. But the common experience in our daily life is that we are not totally happy with the kind of services. In this direction the present study tries to create not only consumers awareness but also alertness among the businessmen through the process of eliciting the public opinion about the quality of services rendered by them to their customers.

Business category – the major segment of customers

The study reveals that cellular phone usage has yet to pick up among the rural people. Agriculturists constituted only 3 per cent of Airtel customers whereas business category customers dominated the market segment of the customers. Thus the study throws light on the need for tapping rural markets to widen its market segment.

Low base of less income group customers

The study reveals that Airtel lagged behind in attracting lower income group of customers whereas its competitors could attract more numbers in that category. It is understood from the study that Airtel pricing strategy concentrates on the higher income segments of urban areas.

Differences in gender preferences

Male customers showed their strong preference to Airtel services. Most of the female customers indicated that free talk time facilitated by Tata Indicom is their choices preference even though their male partners preferred Airtel services. Tata Indicom is found to be a favorite among the younger female groups.

Airtel popularized Other Brands

Nokia hardware and Airtel software combination became a big success in the market. With Airtel fastly penetrating into the market, the demand for qualitative handsets in the market became imperative. Thus most of the Airtel customers became customers of Nokia handsets more or less at the same time.

Suggestions

After in-depth study of the topic, by way of reviewing the literature, identifying the research gap, gathering of the primary data from the sample respondents through the questionnaires and rigorous analysis of the data, the researcher would like to offer the following suggestions.

1. The people in backward rural areas are with low income generation. So in order to fulfill the intention of Government as well as of the company Airtel should make their plans more economical to all classes of people.
2. Airtel should chalk out special strategies such as reduction in charges, giving grace days for incoming calls after the validity period, better postpaid facilities, and special concessions to farmers and business class categories to further increase their market share.
3. The Airtel should make new and lucrative strategies and schemes separately for students and pensioners categories to make them possessive of its services.

Conclusions

In the light of various findings of this study, the obvious conclusion is that though Airtel has been able to meet the aspirations of its customers in general, there are still some areas of concern, which the company may concentrate to beget the best possible satisfaction of its customers. With the widening market segment of Airtel, the need for catering to the needs of its

customers has become a far more necessity at present. Consumers' reactions to some lapses in the service system must be taken cognizance of the Airtel authorities and thus they should endeavor to serve the needs of the customers.

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