



A CASE STUDY ON BSNL CUSTOMER SATISFACTION IN ANANATHAPURAMU DISTRICT OF ANDHRA PRADESH

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ABSTRACT

Telecommunication is one of the prime support services needed for rapid growth and modernization of various sectors of the economy telecom is the means of communication of the future and shall form a vital component of India's infrastructure. Communication Technologies are found to be contributing substantially to the development process The Indian telecommunications industry is one of the fastest growing in the world, Indian telecom industry is the world's second-largest telecommunications market The environment of telecom sector is highly volatile making existing functional practices to fall out within a short period of time and the service providers have to continuously scan the internal and external environments for strategic and beneficial practices which are ultimately expected to satisfy the end-users Among all problems confronting the players, the major problems such as investment of capital, customer churn, increasing customer base, devising strategic methodologies and practices for increasing the Average Revenue per User (ARPU), keeping in pace with technological advancement and meeting regulatory requirements are more important, the present study is conducted to know the knowledge of customer perception about services rendered by BSNL.

INTRODUCTION:

Telecommunication is one of the prime support services needed for rapid growth and modernization of various sectors of the economy. It has become especially important in recent years because of enormous growth of Information Technology (IT) and its significant impact on the rest of the economy. Telecom is the means of communication of the future and shall form a vital component of India's infrastructure. Communication Technologies are found to be contributing substantially to the development process.

SIGNIFICANCE OF THE STUDY:

The Indian telecommunications industry is one of the fastest growing in the world, Indian telecom industry is the world's second-largest telecommunications market with 1,206.71 Million, telephone connections The share of urban area subscribers are 704.89 Million (58.41%) and 501.82 Million (41.59 %) of Share in rural area. India has recorded 1,183.04 Million of Wireless Subscribers, 1,127.37 are wire line subscribers and broadband subscription reached 23.67 Million in September 2017. Data usage on Indian telecom operators' networks (excluding Reliance Jio), doubled in six months to 359 peta bytes or 3.7 million gigabytes per month as 4G data usage share increased to 34 per cent by the end of June 2017. The mobile industry is expected to create a total economic value of Rs 14 trillion (US\$ 217.37 billion) by the year 2020. It would generate around 3 million direct job opportunities and 2 million indirect jobs during this period. The total number of telephone subscribers in the country increasing by 11.13 per cent year-on-year.

NEED FOR THE STUDY:

The environment of telecom sector is highly volatile making existing functional practices to fall out within a short period of time and the service providers have to continuously scan the internal and external environments for strategic and beneficial practices which are ultimately expected to satisfy the end-users, especially in the wake of many new service providers entering the fray,

The position of the service provider will be weakened in the market, unless the company rises to the occasion to be proactive, pragmatic and positive and update the data regarding the changing profiles of rural/urban customers. Among all problems confronting the

players, the major problems such as investment of capital, customer churn, increasing customer base, devising strategic methodologies and practices for increasing the Average Revenue per User (ARPU), keeping in pace with technological advancement and meeting regulatory requirements are more important, the present study is conducted to know the knowledge of customer perception about services rendered by BSNL.

PROFILE OF THE BSNL COMPANY:

Bharat Sanchar Nigam Ltd. Is formed in 15th September, 2000, is World's 7th largest Telecommunications Company. Bharat Sanchar Nigam Limited (BSNL) is one of the leading telecom operators, owned by the Indian government. Its services includes wire line, CDMA based mobile services; GSM based mobile services, 3G, 4G services and broadband services. As of September 2017, the company has 118.61 million subscriptions (9.83 per cent market share) with net addition of 1.24 million subscriptions during June to September 2017 and 37.46 million subscribers are from rural subscribers'with respective market share of 7.46 per cent to the total rural subscribers i.e. 501.82 million.it has about 36.42 million line basic telephone capacity, 7.13 million WLL capacity, 95.96 million GSM capacity, 34,727 fixed exchanges, 1,17,090 GSM BTSs, 9,594 CDMA Towers, 102 Satellite Stations, 7,73,976 RKm. of OFC, 4751 RKm. of microwave network connecting 646 districts, 4519cities/towns & 6.25 lakhs villages

RESEARCH METHODOLOGY:

To pursue the above mentioned objectives, data from primary and secondary sources are necessary. The primary data has been collected through opinion survey. A structured questionnaire was designed to elicit the information from the sample respondents. A sample of 150 customers was selected using simple random sampling for primary data collection. Secondary data were collected from journals, dailies, company profiles and published literature from various magazines and newspapers.

OBJECTIVES OF THE STUDY:

- To study the Indian telecom sector.
- To study the **Bharat Sanchar Nigam Ltd.** Company profile

- To find out the level of consumer satisfaction as regards BSNL services and the factors perceived by consumers,
- To suggest suitable measures wherever necessary for the development of the company.

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. Accordingly, a sincere attempt has been made to identify the research gaps as compared to earlier studies.

Biju Aryad stated that BSNL embarked upon diversification of its business and started to undertake outside works for various projects. **Thomas K.Thomas** dealt in his study with the auction process of 3G and its revised tender systems and he also stated that the BSNL has proposed setting up a common wireless network for reaching broadband services in rural areas. **Vinayak Raje and Deepak Bansod** concluded that due to lack of infrastructure facilities available in areas, telecom companies finding difficulty to enter into rural areas, in spite of having potentialities. **Sebastian Mathew** concluded that the rapid economic progress India made after independence and the desire of the people to enjoy world class communication facilities led to the increased penetration of communication technology in India. **Ishfaq Naseem** stated that the instances of state-run BSNL that discontinued services of a large number of customers and asked its retailers to strictly follow the guidelines. **Anandita Singh Mankotia** mentioned that the loss-making BSNL is trying hard to shore up its revenues by getting into agreements with private plyers for sharing its over 70,000-strong tower infrastructure.

RESPONDENTS OPINIONS TOWARDS BSNL COMPANY:

Table: 01 Location of the respondents

Location	No. of respondents	% to total
Urban	263	52.6

Rural	237	47.4
Total	500	100

Source: Field survey.

It is evident from table: 01 reveals that the BSNL cellular services have its base spread over rural and urban markets. Thus the table reveals Majority (52.6) of the per cent of the sample comprised of the urban and the remaining 47.4 per cent are from rural areas.

Table: 02
Age group of respondents

Age group	No. of respondents	% to total
20-30	257	51.4
30-40	123	24.6
40-50	73	14.6
50 and above	47	9.4
Total	500	100

Source: Field survey.

It is evident that a large number of BSNL customer – respondents belonged to the age group of 20-30 comprising 51.4 per cent of the sample chosen, followed by 24.6 per cent in the age group of below 30-40, 14.6 per cent of the respondents belonged to age group 40-50 and only 9.4 per cent of respondents belonged to 50 and above age group. Overall, more than 75 per cent (51.4 + 24.6) were in the potential age group of 20 to 40 years. Hence, opinions expressed by these age groups are supposed to be matured one and the conclusions to be drawn are expected to have right perspectives.

Table: 03
Occupation of respondents

Occupation	No. of respondents	% to total
Agriculture	65	13.0
Business	85	17.0
Profession	138	27.6
Student	162	32.4
Other specify	50	10.0
Total	500	100

Source: Field survey.

The occupational backgrounds of the respondents reveal the particular nature of consumer grievances in respect of the telecommunication services besides the general problems usually a telecommunication service consumer faces. It is evident from table: 03 shows that a large number of respondents belong to 'student' category with 32.4 per cent of respondents followed by professional category with 27.6 per cent

Hence, the 'Student' and 'Professional' category consumers were the major segment of B.S.N.L consumers. Thus the study throws light on the need for stepping up BSNL's marketing strategies to attract other categories especially the tradesmen, BSNL to study why business people prefer other cellular services to BSNL. Only 13.0 per cent of the respondents belonged to agriculture group of customers. Nowadays, many cellular companies are trying to woo agriculturists and the usage-culture is fastly spreading even among the small agriculturists.

Table: 04
Sex ratio of respondents

Sex	No. of respondents	% to total
Male	359	71.8
Female	141	28.2
Total	500	100

Source: Field survey.

The above table shows that 71.8 per cent of the respondents are male and the remaining 28.2 per cent belong to female category. Hence, male respondents are the dominant group among B.S.N.L mobile network service users. More women customers will be added in future as women participation would be increasing in various enterprising activities.

Table: 05
Income groups of respondents

Income groups	No. of respondents	% to total
Up to – 10,000	245	49.0
10,000 – 20,000	145	29.0
20,000 - 30,000	46	9.2
30,000 – 40,000	36	7.2
Above 40,000	28	5.6
Total	500	100

Source: Field survey.

It can be evident from table 05 that a large number of respondents belonged to the income group of up to Rs. 10,000 with 49.0 per cent of the sample size followed by 29.0 per cent of respondents belonged to the income group of Rs. 10,000 to Rs. 20,000 and followed by 9.2 per cent belong to the income group of Rs. 20,000 - Rs. 30,000 and 7.2 per cent of respondents belonged to the income group of Rs. 30,000 - 40,000 and only 5.6 per cent of them belonged to above 40,000/- income group.

Though all income group level respondents are using the B.S.N.L services, the least percentage of B.S.N.L customers belonged to the higher income group in the study; it is thus revealed that lower income group people formed the major portion of BSNL customers. The tariff plans with affordable recharge cards seemed to have attracted the BSNL brand.

Table: 06
Reasons for opting BSNL prepaid connection

Reasons	No. of respondents	% to total
Easy cross-check of the balance availability	145	29.0
Control over excess spending	116	23.2
Recharge facility availability of anywhere at any time	230	46.0
Other reasons	9	1.8
Total	500	100

Source: Field survey.

It is evident from table 06 that 46.0 per cent of the respondents were happy as the pre-paid connection with recharge facility could be availed anywhere – any time, followed by 29.0 per cent of respondents expressed pre-paid network connection would achieve easy cross-check of the balance availability and 23.2 per cent of them stated that the pre-paid network connection

would achieve control over excess spending; finally the lowest 9 per cent of respondents expressed other reasons.

Table: 07
Span of association with BSNL mobile network

Years	No. of respondents	% to total
One year	123	24.6
Two years	140	28.0
Three years	89	17.8
Four years (or) more than four year	148	29.6
Total	500	100

Source: Field survey.

The 29.6 per cent of the respondents were using B.S.N.L services for the last four years or more than four years, as 28.0 per cent of the respondents were using for two years, followed by 24.6 per cent of them since last one year and 17.8 per cent of sample size expressed they were using B.S.N.L for the last three years. Majority of the respondents using B.S.N.L fell in the category of either four years or more than four years/ two years. The long standing customers (more than four years) constituted at 29.6 per cent of the total respondents, the base of long standing has to be sustained and improved for long term growth of business.

Table: 08**Respondents opinion on various features offered by BSNL**

Variable	Satisfaction rate					
	Excellent	Good	Average	Poor	Can't say	Total
Price affordability	105 (21.0%)	265 (53.0%)	122 (24.4%)	08 (1.6%)	00 (00%)	500 (100%)
Service features	115 (23.0%)	255 (51.0%)	116 (23.2%)	08 (1.6%)	06 (1.2%)	500 (100%)
Special offers	77 (15.4%)	249 (49.8%)	151 (30.2%)	13 (2.6%)	10 (2.0%)	500 (100%)
Customer care services	40 (8.0%)	254 (50.8%)	142 (28.4%)	41 (8.2%)	23 (4.6%)	500 (100%)
Value Added Services	55 (11.0%)	309 (61.8%)	70 (14.0%)	21 (4.2%)	45 (9.0%)	500 (100%)
Overall Performance	71 (14.2%)	291 (58.2%)	107 (21.4%)	25 (5.0%)	06 (1.2%)	500 (100%)

Source: Field survey.

➤ The satisfaction level on the **price/tariff affordability** of the B.S.N.L. network provider, 53.0 per cent of the BSNL consumers replied it was 'good', 24.4 per cent of respondents stated as 'average', 21.0 per cent of them stated as 'excellent' and remaining 1.6 per cent of respondents said it as 'poor'. Therefore, it is learnt that 24.4 per cent of the respondents were not happy with the price affordability of the BSNL Company.

- The above table reveals that 51 per cent of the customer-respondents graded **service features** of B.S.N.L as good followed by 23.2 per cent of respondents grading it as average; 23.0 per cent of the respondents stated that its services were excellent and only 1.6 per cent of the respondents graded them as poor. Overall, i.e. 74 per cent of the respondents rated B.S.N.L service features either as ‘excellent’ or ‘good’ augurs well for the company. 1.2 per cent respondents did not respond about the service features offered by the BSNL.

- Satisfaction rating on **special offers** provided by the BSNL Company, 49.8 per cent of respondents graded it as ‘good’, 30.2 per cent of respondents graded it as ‘average’ as well as 15.4 per cent of respondents graded it as ‘excellent’, followed by 2 per cent of respondents could not say anything and only 2.6 per cent of respondents graded it as ‘poor’. It is very clear that the above table reveals that a large number of respondents i.e. 65.2 per cent of the customer–respondents stated their satisfaction rate as either ‘good’ or ‘excellent’.

- It reveals that 50.8 per cent of the respondents rated BSNL **customer care services** as good, while 28.4 per cent of the respondents rated it as average; whereas 8.2 per cent of the customer-respondents rated the services were poor; however, excellent ranking is given by only 8.0 per cent of the respondents. Hence, the BSNL needs to improve and strengthen its customer care services.

- The majority of the respondents i.e. 61.8 per cent stated the cost of value added services as average, 14.0 per cent of the respondents felt them as less cost, followed by 11.0 per cent of the respondents who expressed it was more costly; whereas 4.2 per cent of the respondents felt the value added services as easily accessible and 9.0 per cent of the customer-respondents did not express. It is evident that the above table shows that majority of the respondents felt that the cost of value added services rendered by BSNL was an acceptable price compared to other network services.

➤ The satisfaction rate on the BSNL overall performance, 58.2 per cent of the respondents said that they were satisfied, 21.4 per cent felt it average; 14.2 per cent of the customer–respondents expressed their high level of satisfaction and 5 per cent and 1.2 per cent of them were either not so satisfied or dissatisfied respectively. Hence, it is evident from the table 4.20 that the BSNL Company had a majority of the satisfied customers in its overall customer group. The same trends are depicted in fig: 4.20.

FINDINGS AND CONCLUSIONS:

- BSNL has emerged as one of the largest and leading public sector units providing a wide range of both wireless and wire line services in India.
- It is revealed from the study that BSNL offers wide ranging and transparent tariffs schemes with a focus on customer care, sales and marketing to provide economical and innovative telecom services across customer segments.
- BSNL, through its value added services, has been trying to generate value for all stakeholders with a focus on excellence in customer care, establishing efficient IT enabled business processes, etc. so as to achieve the objectives of the BSNL viz., providing quality services, increasing customers' confidence through customer friendly mobile telephone services.
- BSNL, with its well established long-term relationship with its customers, strong ethical values and well-established systems and procedures, has become a replicable unit in the area of corporate governance. The BSNL Company has been implementing the corporate governance norms for the unlisted central enterprises issued by the Department of Public Entrepreneurs.
- The study reveals that the market segment comprised of agriculturists (13 per cent), business category (17 per cent), whereas student category customers dominated the market segment with 32.4 per cent of the customers (see table 3.6).

- The study gives scope to study further why the other categories of customer segment except student category prefer other cellular services to the BSNL. Number wise, BSNL has more number of student customers when compared to other categories like professional or agricultural. If the BSNL could attract other categories also its business would grow further.
- The study reveals that nearly fifty per cent of the BSNL customers were of lower income group. BSNL lagged behind in attracting higher income group of customers whereas its competitors could attract more number in that category. It is understood from the study that the BSNL pricing strategy concentrates on the lower income segments.
- Male customers showed their strong preferences (72 per cent) towards BSNL services. Most of the female customers indicated that free talk time, full recharging offers, low call charge offers to any network, etc. offered by various other network providers attracted them towards other cellular services even though their family members, male partners preferred BSNL services
- The study reveals that the edge of BSNL over others as well as the degree of emerging competition from other service providers to BSNL. The more the awareness of existing customers for other brands, the more would be the likely penetration of those brands that might reduce the market share of BSNL especially when the business categories, agriculture categories and other categories like higher income groups, etc. showing their preference to other brands.
- The study reveals that the majority of the customers opted services of BSNL because of the brand image, value added services, easy accessibility and BSNL special offers, etc. Overall satisfaction rate i.e. 72.4 per cent of the respondents graded BSNL services as 'satisfied' or 'highly satisfied'. Thus there was an overall satisfaction about its cellular services

- The pricing strategies of BSNL are found to be multi-pronged that include competition based, demand based, ROI based and the like. The pricing strategies enabled the BSNL to retain customers, increase customer base, profitability, growth and expansion
- Customer care services of the BSNL are found in the good books of its customers. However, the customers opined direct number contact with the servicing personnel instead of computerized replies would help them more. When the customers are eager to convey their problems, the computerized replies indicating other information were much to their disliking and time consuming.
- Most of the customer-respondents (72.4 per cent) rated the overall satisfaction rate about BSNL services as either satisfied or highly satisfied; another 6.2 per cent were either not so satisfied or dissatisfied. Another 21.4 per cent of them felt the services as average (see table 4.20). The study reveals that the BSNL Company had a majority of the satisfied customers in its overall customer group.

The foregone discussion reveals that the BSNL customers feel an overall satisfaction with the kind of its services and relationships maintained with them. However, consumers' reactions to some lapses in the system have also been revealed. While BSNL continues growing its cellular services market, it should also endeavour to serve the needs of economic feasibility of consumers.

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