

“Impact of Demographic Factors on Customer Perception and Satisfaction towards Public and Private Telecom Industry in Chhattisgarh”

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Abstract: The purpose of the paper is to evaluate the impact of demographic factors on the satisfaction of customer service quality applied to telecom industry. The study utilized the survey approach. The result displayed how different demographic factors such as age, qualification, employment influence customers satisfaction level towards the services provided by public and private telecom industry. The study highlights the importance of demographic factors which encourages the public and private telecom industry to cater to the need of these segments. The paper studies the gap in service quality of telecom sector in terms of customers' expectations and perceptions using the Servqual Model.

Keywords: Telecom, Demographic Profile SERVQUAL, customer service quality, perception, satisfaction

I. INTRODUCTION TO TELECOM INDUSTRY

Indian telecom industry underwent a high pace of market liberalization and growth since the 1990s and now has become the world's most competitive and one of the fastest growing telecom markets. The industry has grown over twenty times in just ten years, from under 37 million subscribers in the year 2001 to over 846 million subscribers in the year 2011. India has the world's second-largest mobile phone user base with over 1157.04 million users as of July 2018. The telecommunication sector is playing an important role in the economic development of any country because of increased progress in technology and a massive competition among all service providers in telecommunication sector (Roos and Edvardsson 2008). Due to privatization and liberalization of policy, telecommunication sector is experiencing phenomenal global change all over the world (Beard and Hartmann 1999). Telecom sector has emerged as the quickest rising telecom market in the world. With more reasonable services, expanded penetration and a supportive government, alongside the regular drop in tariffs in the sector have brought significant changes in a number of consumers and usage of mobile

telecom services (Sinha and Wagh 2008). Today's telecommunication is an inseparable part of our everyday life. Besides, now a days cell phone is becoming more popular and user-friendly device due to its convenient using and availability of low-cost to communicate with all classes of people. Gender, occupation, education, and income level of the consumer have a strongly significant influence on attitudes towards the usage of smart phone (Nekmahmud et al. 2017).

II. OBJECTIVES OF THE RESEARCH

1. To analyze the telecom industry scenario in Chhattisgarh
2. To study the impact of different demographic factors on customer perception and satisfaction towards telecom industry
3. To explore the factors of customers' satisfaction towards telecom services

III. LITERATURE REVIEW

Smruti (2007) in his study pointed out that Enhancement of National Telecom Policy and it changes of telecom sector of Gujarat. There has been a significant development in the telecommunication sector in the past decade. The National Development Policy has given the chance with the liberalization policy initiated and revised the thrust areas with the changes in technology and give value added services with mobile services. This inception has a significant growth and faster development in the telecommunications sector and estimates the growth of 9.6 per cent in the state of Gujarat.

Kalpana and Chinnadurai (2006) in their study titled "Promotional Strategies of Cellular Services: A Customer Perspective" analysed that the increasing competition and changing taste and preferences of the customer's all over the world are forcing companies to change their targeting strategies. The study depicts that the customer attitude and

their satisfaction towards the cellular services in Coimbatore city. It was found that advertisement play an important role in influencing the customers as well as their opinion for promotional strategies of cellular companies are focused only through sale oriented rather than customer oriented. Fernandez (2007) in their study titled "Understanding Dynamics in an Evolving Industry: Case of Mobile VAS in India" analysed that Mobile Value-Added Services (VAS) is a rising star in the fast-growing wireless business. An attempt has been made at understanding the strategic dynamics of the evolving environment, focused with the Indian players for operating, challenges and structure of the customer attitude. While the value chain of industry is most complicated yet one can observe the nature of purchasing powers between mobile network operators and content aggregators.

Anand (2013) in his study entitled on "A study on customer satisfaction towards BSNL with special reference to the city of Coimbatore" focuses to know whether customer receive the service in time and is it fulfilling their needs to desired levels. The study is highly intensified on primary data only. The required information was collected through the interview schedule from the consumers directly by interviewing them. A simple statistical tool has been employed for the purpose of analysis of data. The study concludes that most of the customers are satisfied by the service provided by the BSNL. The level of dissatisfaction is mainly due to poor signal and low network coverage. The present scenario of the service provider must be focused with to resolve the problem of customer retention and satisfy the customers.

Zahari Ahmad Suffian Mohd, Momani Khaled Al, Nor Azila Mohd (2011), in their research "The influence of perceived privacy on customer loyalty in mobile phone services: An Empirical Research in Jordan" investigated the issue of customer loyalty within the context of mobile phone service subscribers who are directly experience using the services. The analysis shows that privacy was positively significant towards customer loyalty. Base on the results, it can be concluded that the mobile service provider has to ensure their services fully satisfied their customer privacy. Petzer D. J. and Meyer C. F. De (2011), in their research paper "The perceived service quality, satisfaction and behavioural intent towards cell phone network service providers: A generational perspective" aimed to determine different generations" perceived service quality of services and satisfaction levels with services provided by cell phone network service providers, as well as their behavioural intentions towards these providers. Significant correlation was found between the generations" perceived level of service quality they experience, their perceived level of satisfaction with, and their behavioural intent towards providers. Dixit et. al. (2008), in their study "A Study to Evaluate Mobile Phone Dependence

Among Students of a Medical College and Associated Hospital of Central India" tried to find out the prevalence of nomophobia in the Indian scenario considering the tremendous increase in the number of mobile phone users in the past decade. The result of the study shows that this disorder is equally prevalent among the study group irrespective of gender. Karthik,(2009), in his research, "Customer Satisfaction on Mobile Service Provider Networks" aimed at understanding the customer satisfaction in mobile service providers to find out the customer satisfaction level in mobile service provider players in the market and to know the customer perception towards other mobile service providers, this survey was done in twin cities. From the analysis it was found that the choice of mobile hand set and services cannot be separated if the customers are classified in to eight group each with some special requirement service wise and handsets attribute wise.

IV. CONCEPTUAL FRAMEWORK OF THE STUDY

Tangibility, Reliability, Responsiveness, Assurance and Empathy are taken to be the independent variables against Customers' Satisfaction as the Dependent Variable while, in turn, Customers' Satisfaction is taken to be the independent variable against Customers' Retention as the dependent Variable. The study is based on Causal Comparative Method in which the impact of Tangibility, Reliability, Responsiveness, Assurance and Empathy has been determined on Customer Satisfaction and that of Satisfaction has been determined on Retention in both Public i.e., BSNL and Private Telecom Companies. Further, the independent and dependent variables have been compared towards BSNL and mix average of private telecom companies. Moreover, association of demographics viz.,, Age, Gender, Income and Occupation with Customer Satisfaction has been determined.

- H₁: Age is significantly associated with Customer Satisfaction;
- H₂: Gender is significantly associated with Customer Satisfaction;
- H₃: Income is significantly associated with Customer Satisfaction;
- H₄: Occupation is significantly associated with Customer Satisfaction.
- H₅: Customer satisfaction is significantly different for Public and Private telecom services

V. RESEARCH METHODOLOGY

The target population of the study includes the telecom customers of Chhattisgarh. The customers are of either BSNL or selected private telecom companies. The sampling frame consists of some selected areas based on simple random sampling technique. The study has been focused on measuring

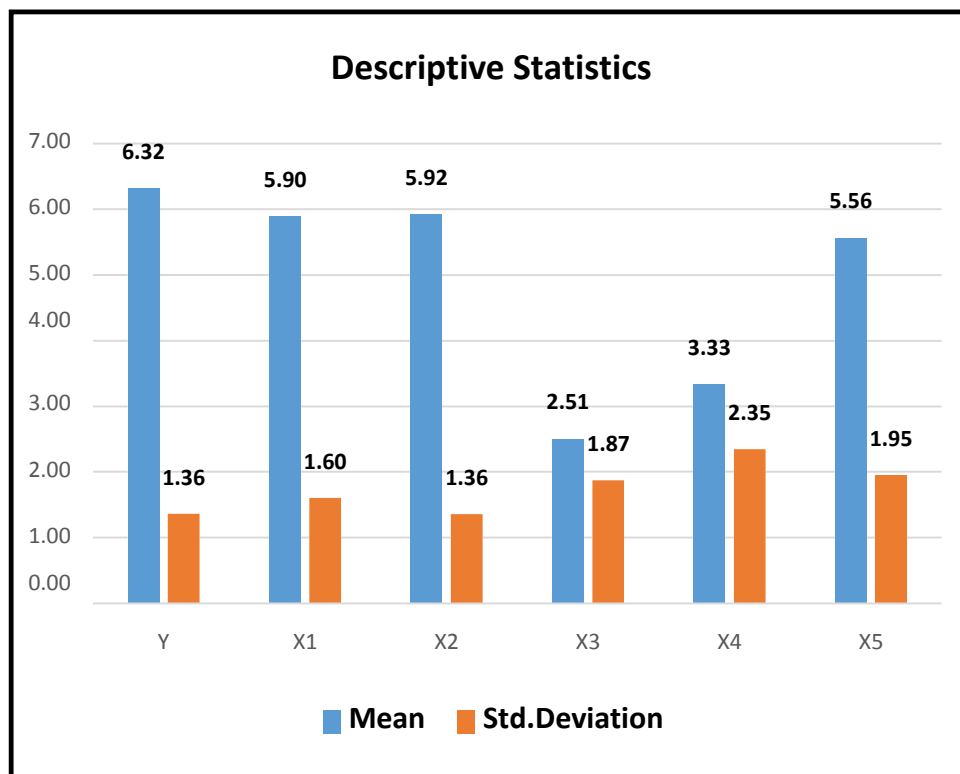
the impact of manifest variables on customer satisfaction and, in turn, retention. It means there would be a cause- and-effect relation. So, Causal Research Design has been applied to accomplish the study.

customers of telecom services in Chhattisgarh are the respondents. Since the study has included psychographics as well as demographics, the data type is the combinations of both qualitative and quantitative. The data has been collected through Direct Survey Method.

The data has been collected from primary source. The

Descriptive Analysis

	X1	X2	X3	X4	X5	Z	Y
Mean	5.90	5.92	2.51	3.33	5.56	2.52	6.32
StandardError	0.08	0.07	0.10	0.12	0.10	0.10	0.07
Median	6.67	6.33	1.67	3.00	6.50	2.00	7.00
Mode	7	7	1	1	7	1	7
Standard Deviation	1.60	1.36	1.87	2.35	1.95	1.87	1.36
SampleVariance	2.57	1.85	3.51	5.52	3.82	3.50	1.86
Kurtosis	1.39	4.90	0.51	-1.46	0.66	0.49	7.45
Skewness	-1.56	-2.22	1.29	0.42	-1.41	1.27	-2.74



Interpretation

The small Standard Deviation suggests the consistency of data. Therefore, the data can be used for decision making.

Analysis of Variance (ANOVA)

Analysis of variance has been applied to determine the association of demographics with satisfaction.

Table 1: Age					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	7.517	3	2.506	1.353	0.257
Within Groups	705.478	381	1.852		
Total	712.996	384			

Table 2: Gender					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.942	1	1.942	1.046	0.307
Within Groups	711.054	383	1.857		
Total	712.996	384			

Table 3: Income					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.551	2	1.275	0.686	0.504
Within Groups	710.445	382	1.860		
Total	712.996	384			

Table 4: Occupation					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	27.410	4	6.853	3.798	0.005
Within Groups	685.585	380	1.804		
Total	712.996	384			

Interpretation

It is evident from Table 1 to Table 3 that there is no difference of opinion of respondents on the basis of Age, Gender and Income but it is seen from Table 4 that there is a significant difference on the basis of occupation. Therefore, H_1 , H_2 are H_3 are rejected and H_4 is accepted.

Therefore, it is found that different age groups, genders and different income groups are equally satisfied but different occupational groups are observed to have different satisfaction levels.

Findings on the basis of demographic analysis

1. The largest age group of respondents included in the survey is 25 – 35 years consisting of 38.2% of respondents followed by age group less than 25 years consisting of 34.5% of respondents.
2. The largest gender group of respondents included in the survey is male consisting of 81.8 % of respondents.
3. The largest income group of respondents included in the survey is 0 – 1.5 lakhs consisting of 85.5% of respondents followed by income group 1.5 –2.99 lakhs consisting of 13.8% of respondents.
4. The largest occupation group of respondents included in the survey is business class consisting of 55.8% of respondents followed by income group service class consisting of 23.9% of respondents.
5. The largest group of respondents included in the survey is private telecom services users consisting of 53.8% of respondents while BSNL users are consisting of 46.2% of respondents.

Therefore, the largest group of respondents included in the survey consists of 25 – 35 years of male business class earning less than Rs. 1.5 lakhs of annual income using private telecom services.

Suggestions

1. Time to time basis company collect information about requirement of the customers towards the services.
2. Perform marketing activities based on the demographic information.
3. Carefully choose smart and presentable personnel who will be interacting with the customers.

4. Provide specific effort to encourage customers to tell others about your services.
5. Communicate in local language with the customers.
6. Company should improve after sales services.
7. Encourage the existing customers to promote your services to the new customers and use newspaper as the prime media for advertisement to show the cost benefit of services.
8. Telecom companies must be concentrating on their physical infrastructure and wide distribution facilities.
9. Use of technology to maximize the service quality and to reduce the fluctuation in service quality. Provide service above standard as promised to the customers to reduce the service gaps.

VI. CONCLUSION

The study has been conducted comparatively on Public and Private Telecom Service Providers through SERVQUAL Model in order to determine the impact of Tangibility, Reliability, Responsiveness, Assurance and Empathy on customers' satisfaction and that of customers' satisfaction on customers' retention. This study is significant in terms of developing strategies to address the challenges of sustainability. It has been found in the study that Tangibility, Reliability, Responsiveness and Empathy have significant impact on satisfaction. It means on the basis of the respondents' opinion these variables play significant roles in establishing customers' satisfaction which in turn, establish customer retention.

VII. REFERENCES

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