

CONSUMER BEHAVIOUR TOWARDS MOBILE TELE SERVICES: A CASE STUDY AT VISAKHAPATNAM CITY

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ABSTRACT

Consumer behavior is the study of individuals, groups, or organizations and the processes they use to select, secure, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society. An attempt is made here to elicit the views of the respondents on the consumer behavior towards mobile Tele services in Visakhapatnam city under the study. On the basis of results, it is suggested that product quality from the marketer's perspective is associated with communication, price, feature, function, or performance of a product.

Key Words: Consumer Behaviour, Mobile Tele Services, Opinions of Respondents, Visakhapatnam city

INTRODUCTION:

Consumer behavior is the study of individuals, groups, or organizations and the processes they use to select, secure, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society. It blends elements from psychology, sociology, social anthropology and economics. It attempts to understand the decision-making processes of buyers, both individually and in groups. It studies characteristics of individual consumers such as demographics and behavioral variables in an attempt to understand people's wants. It also tries to assess influences on the consumer from groups such as family, friends, reference groups, and society in general.

Consumer behavior refers to the act of consuming goods or services. In the words of Glenn Wilters, "Human behavior refers to the total process by which individuals interact with their environment". Consumer behavior is the process by which individuals decide whether, what, when, where, how and from whom to purchase goods and services. A knowledge of

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consumer behavior would render immense help for planning and implementing marketing strategies. It is the consumer who determines what a business isPeter F. Drucker. Consumer behavior is the act of consuming a goods or service.

INDIAN TELECOM INDUSTRY

The Indian telecommunications industry is one of the world's fastest growing industries, with 653.92 million telephone (landlines and mobile) subscribers and 617.53 million mobile phone connections as of May 2010. It is also the second largest telecommunication network in the world in terms of number of wireless connections after China. The Indian Mobile subscriber base has increased in size by a factor of more than one-hundred since 2001 when the number of subscribers in the country was approximately 5 million to 617.53 million in May 2010. As the fastest growing telecommunications industry in the world, it is projected that India will have 1.159 billion mobile subscribers by 2013. Furthermore, projections by several leading global consultancies indicate that the total number of subscribers in India will exceed the total subscriber count in the China by 2013.

CELLULAR INDUSTRY IN VISAKHAPATNAM

Visakhapatnam, also known as Vizag, is the largest city in the state of Andhra Pradesh and the third largest city on the east coast of India (after Chennai and Kolkata). It is a port city on the southeast coast of Bay of Bengal and often called as The Jewel of the East Coast and the City of Destiny. In Visakhapatnam, there are 8 cellular service providers. They are IDEA, Bharti Airtel, Vodafone, BSNL, Aircel, Uninor, Tata Indicom and Reliance.

NEED FOR THE STUDY

The success of telecommunication industry depends on prudent efforts and feasible investments. In a competitive market, service providers are expected to compete on both price and quality of services and also it is necessary for the service providers to meet the consumers' requirements and expectations in price and service quality. After globalization of Indian economy in 1991 the telecommunication sector remained one of the most happening sectors in India. Recent years have witnessed and dramatic changes in the field of telecommunication. In

the last few years more and more companies both foreign and domestic, entered the cellular service market and offer large number of products and services to the users.

OBJECTIVES OF THE STUDY

The following are the specific objectives of the present study:

- To study the choice of brands by the consumers and the reasons for the same and
- To know the problems faced by the customers with their mobile services in the select city and
- To evaluate the respondents perception on cellular services.

METHODOLOGY AND SAMPLING

The study is based on both primary and secondary data sources. A questionnaire has been prepared with different questions to examine the socio-economic status and consumer perception on cellular services. A sample of 200 respondents has been selected based on convenience sampling method. The sampling includes male and female users from different occupations, age, and religion and income background. The secondary data has been collected from the books, journals, periodicals and magazines. For analyzing the data, statistical tables, percentages and chi-square test were used.

ANALYSIS OF THE STUDY

The distribution of the sample respondents on the basis of their sex, age, literacy level, occupational status and monthly family income is presented in the following tables.

SEX OF THE RESPONDENTS

The sex of the respondents is given in Table 1. Among the 200 respondents, 130 respondents are male and the rest of 70 are female. Though both male and female are aware of the cell phone usage, female have some problems in using the cell phone.

Table 1 Sex

Gender	No. of Respondents	Percentage
Male	130	65.00
Female	70	35.00
Total	200	100.00

Source: Primary Data

AGE COMPOSITION

The age of the sample respondents is given Table 2. The highest number of employees (58 percent) belongs to up to 30 years age group. 31 percent were found in between 31 – 45 years category and the remaining 11 percent of the respondents belong to above 45 years.

Table 2 Age Composition

Age Group (years)	No. of Respondents	Percentage
Below 30	116	58.00
31- 45	62	31.00
Above 45	22	11.00
Total	200	100.00

Source: Primary Data

EDUCATION

The level of education is an important factor in building up strong and stable labour force needed by any industry. The literacy level of the sample respondents is given in Table 3. The study revealed that 33 percent of the respondents were under graduates and 30 percent were post graduation degree holders. 13 percent of the respondents have been educated up to school level, 12 percent were professionals and 12 percent of the respondents belong to other category.

Table 3 Educational Qualification

Literacy Level	No. of Respondents	Percentage
School Level	26	13.00
Under Graduation	66	33.00
Post Graduation	60	30.00

Professional Degrees	24	12.00
Others	24	12.00
Total	200	100.00

Source: Primary Data

OCCUPATIONAL STATUS

The occupation of the sample respondents is given in Table 4 and it reveals that out of 200 respondents 24 percent are engaged in business, 23 percent of the respondents belongs to professional category, 22 percent of the respondents belongs to employed category. 20 percent of the respondents fall under other category and 11 percent of the respondents are students.

Table 4 Occupation

Occupation	No. of Respondents	Percentage
Employed	44	22.00
Business	48	24.00
Profession	46	23.00
Student	22	11.00
Others	40	20.00
Total	200	100.00

Source: Primary Data

MONTHLY INCOME

The status and standard of living of a person is determined by the income he/she gets. Generally, the main source of income of respondents is salary. The distribution of the respondents on the basis of their monthly income is given in Table 5 and it reveals out of 200 respondents 47.00 percent of the respondents have monthly income rated between Rs. 7501 to 12,500. 38.00 percent of the respondents have monthly income up to Rs. 7500. 15 percent of the respondents fall under monthly income is more than Rs. 12500.

Table 5 Monthly Income

Income (Rs)	No. of Respondents	Percentage
Up to 7500	76	38.00

7501 - 12500	94	47.00
Above 12500	30	15.00
Total	200	100.00

Source: Primary Data

CONSUMER BEHAVIOUR TOWRDS CELL PHONE USERS

Consumer behavior towards cell phone users on the basis of their satisfaction, billing pattern, motivation, mobile service, advertisement and attitude of the respondents is presented in the following tables.

MOTIVATION

Motivation is the driving force within individuals that impels them to action. Motivation is the activation or energization of goal-oriented behavior. Motivation may be intrinsic or extrinsic.

Table 6 Induced to Buy Cell Phone

Induced By	No. of Respondents	Percentage
Friends	120	60.00
Relatives	48	24.00
Colleagues	15	7.50
Self Desire	17	8.50
Total	200	100.00

Source: Primary Data

Majority of the respondents are motivated by their friends to buy cell phones and 24 percent of the respondents are motive by their relatives to buy cell phones. 8.5 percent of the respondents having self desire to buy cell phones followed by 7.50 percent of colleagues.

ATTITUDE

Consumer attitudes consist of a combination of cognitive information and beliefs, emotions and behavioral intention regarding a consumer product or service. Attitude is the most important factor for deciding the communication.

Table 7 Opinion of the Respondents on Celle Phone is a Cheaper Mode of Communication

Opinion	No. of Respondents	Percentage
Strongly Agree	73	36.50
Agree	96	48.00
Neutral	12	6.00
Disagree	14	7.00
Strongly Disagree	05	2.50
Total	200	100.00

Source: Primary Data

48 percent of the respondents agree with the statement that cell phone is cheaper mode of communication. 36.5 percent of the respondents strongly agree with the statement that cell phone is a cheaper mode of communication. 7 percent only disagree with the above statement. 6 percent of the respondents' opinion is neutral. Only 2.5 percent of the respondents opinion is strongly disagree with the above statement.

SATISFACATION

Satisfaction or dissatisfaction is the result of various attitudes the person holds towards his job, related factors and towards life in general. It is an important element to create demand for the product. If the consumers are satisfied with their purchase of cell phone, then they themselves act as advertisers.

Table 8 Level of Satisfaction with the Mobile Services

Level of Satisfaction	Number of Respondents		Total
	Male	Female	
Satisfied	105	60	165
Dissatisfied	25	10	35
Total	130	70	200

Source: Primary Data

Majority of the respondents are satisfied with the mobile services. 82.5 percent of both the male and female respondents are satisfied with their mobile services and only 17.5 percent of the respondents are dissatisfied with mobile services.

Null Hypothesis

The association between the mobile services opted by the respondents and their level of satisfaction towards the services of mobile network is not significant.

The calculated χ^2 value (0.769) is less than the table value (3.84) at 5 percent level of significance for 1 degree of freedom, the null hypothesis is accepted and it could be concluded that the association between the mobile services opted by the respondents and their level of satisfaction towards the services of mobile network is not significant.

BILLING PATTERN

Billing pattern is another dimension of consumer behavior.

Table 9 Opinion of Respondents about Billing Pattern

Opinion	Number of Respondents		Total
	Male	Female	
Excellent	24	16	40
Good	38	17	55
Fair	42	18	60
Poor	20	16	36
Very Poor	06	03	09
Total	130	70	200

Source: Primary Data

Majority of the respondents (30 Percent) opinion that billing pattern of the mobile services is fair. 27.5 percent of the respondents opine that billing pattern offered by mobile service is good. 4.5 percent of the respondents felt that billing pattern offered by their mobile service is very poor.

Most of the respondents' opinion about billing pattern is fair, because it is complicated and not understandable to the respondents. Rates and tariffs are being changed by different mobile services often.

Null Hypothesis:

The association between the opinion of the respondents on billing pattern and their level of satisfaction derived by them is not significant.

The calculated χ^2 value (2.88) is less than the table value (9.49) at 5 percent level of significance for 4 degree of freedom, the null hypothesis is accepted and it should be concluded that the association between the opinion of the respondents on billing pattern and their level of satisfaction derived by them is not significant. For easier billing pattern the dealers can arrange for any novel system, which may attract consumers.

MOBILE SERVICE ADVERTISEMENT

Advertising is any paid form of non-personal presentation and promotion of a product, service, idea, company, person or anything that is offer to the consumers by an identified sponsor. 'Survival of the fittest' is the proverb which is practiced everywhere. Dealers and the company should choose different media for advertisement.

Table 10 Opinion of Respondents about Mobile Service Advertisement

Description	Number of Respondents		Total
	Male	Female	
Satisfactory	80	40	120
Unsatisfactory	28	16	44
Should be improved	22	14	36
Total	130	70	200

Source: Primary Data

The above table reveals that majority of the respondents (60 percent) are satisfied with the advertisement, 40 percent of the respondents are not satisfied with the advertisement of mobile services and fell that the advertisements should be improved.

Null Hypothesis

The association between the opinion of the respondents about mobile service advertisement and their level of satisfaction derived by them is not significant.

The calculated χ^2 value (0.40) is less than the table value (5.99) at 5 percent level of significance for 2 degrees of freedom, the null hypothesis is accepted and it should be concluded that the association between the opinion of the respondents about mobile service advertisement and their level of satisfaction derived by them is not significant.

FINDINGS

The following are the findings of the study:

- 65 percent of the respondents who use cell phone are male.
- The highest number of employees (58 percent) belongs to up to 30 years age group.
- 33 percent of the respondents were under graduates and 30 percent were post graduation degree holders.
- 24 percent are engaged in business, 23 percent of the respondents belong to professional category, 22 percent of the respondents belongs to employed category.
- 47.00 percent of the respondents have monthly income rated between Rs. 7501 to 12,500.
- Three fifth of the respondents (60 percent) are motivated by their friends to avail the mobile services.
- 48 percent of the respondents agree with the statement that cell phone is cheaper mode of communication.
- 82.5 percent of both the male and female respondents are satisfied with their mobile services.
- Majority of the respondents (30 Percent) opinion that billing pattern offered by the mobile services is fair.
- Majority of the respondents (60 percent) are satisfied with the advertisement given by mobile services.

SUGGESTIONS

- Price plays a significant role in the purchase decision of the telecommunications sector. Price has significant positive impact on consumer perception choice in selecting telecommunication service provider.
- Product quality from the marketer's perspective is associated with communication, price, feature, function, or performance of a product.
- Consumers regularly face the task of estimating product quality under conditions of imperfect knowledge about the underlying attributes of the various product offers with the aid of personal, self-perceived quality criteria.
- Enormous facilities can be included in the cell phones.
- New model hand set can be introduced exclusively for females.
- Various kinds of sales promotional activities can be introduced by the cellular companies.
- A company that offers lower charges would be able to attract more customers committing themselves to the telephone networks and significant number of "call minutes" might be achieved.

CONCLUSION

The telecommunication sector, especially the mobile phone sector, in India is one of the fastest growing business segments of the country which provide a lot of value addition to the society with its service and creation of employment opportunities. The success of telecommunication industry depends on prudent efforts and feasible investments. In a competitive market, service providers are expected to compete on both price and quality of services and also it is necessary for the service providers to meet the consumers' requirements and expectations in price and service quality. Visakhapatnam offers a big market and any service provider who offers good service at a reasonable cost will be able to capture the market. Though by offering concessions and by extensive advertisement, a provider may capture the market in the short run, the quality of service provided will only enable a player to service in the highly competitive market in the long run.

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