CHAPTER- VII

Summary, Conclusion & Recommendations

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. India is perceived to have a special comparative advantage in IT and in IT-enabled services.

Advertisement and Cellular Services

Advertisement plays an important role in achieving growth in sales of product and services. Effective advertising refers to informing the public about the right product at the right time through the right medium. The right media selection is the crux of the success of the entire advertising campaign. The medium that could become the biggest thing in advertising since TV- the cellphone. With more than two billion users around the world, the potential reach alone has advertisers drooling. In USA, the AD Council's advertising created by agencies for free and placed in
media for little or no change, is known as **pro bono advertising** - in Latin, pro bono means "for the public good."

**Significance**

Advertisement, in the present atmosphere of global competition, is a powerful social and economic force. Consumers look to it for information in respect of products, brands and services that might help them in selection and to meet their material needs.

Cellular services are very popular and demanding these days among all sections of the society. Without these services immediate contact is not possible while sitting away from home and at a distant place. Cellular phone service is of utmost importance in dealing with domestic, official and personal problem promptly and immediately.

Advertising, in the real world, does its work in marvelously contradictory ways:

Advertising works on the consumer, to change consumer purchasing. Advertising works indirectly. Advertising changes attitudes; it makes people feel more favourably disposed toward a brand. The sale is made in the store, but the buy is in the mind. Advertising works by conversion, by changing brand preference. Advertising is a form of salesmanship. Advertising, to say it again, is a complex force
which does a lot of things, in a lot of different ways, for a lot of different people.

SALES PROMOTION

Sales promotion is a much-abused term but has usually come to denote activities that supplement advertising and personal selling. The most common of these are premiums, contests, couponing and cross-couponing, special price offers, consumer incentives, dealer incentives, point-of-purchase displays, and special deals of all kinds.

Advertising became a major economic force in the United States around the middle of the nineteenth century, with advent of the mass market for manufactured goods. Advertising helped develop this mass market by establishing branded products that stood for uniform quality at good prices. However, as markets matured with a proliferation of similar brands, sales promotion gained importance.

Currently, most of the firms spend about three-fourth of the promotional budget on sales promotions, and one-fourth on advertising. Thus sales promotions have become a very important component of the promotional mix. As a matter of fact advertising and sales promotion is closely interlinked. Expenditure on advertising have a direct bearing on expenditures on sales promotion.
Special Report - Marketing to Cell

With Internet reaching out to mobile handsets and networks, the impact becomes manifold. "Mobile marketing is very location-based and targeting is simpler. Revenue sharing will happen because it is not an open ecosystem, but it may change with the Internet. The faster the Internet penetration the sooner the revenue sharing equation will change", says Vinay Goel, Head of Products, Google India.

A study by eMarketer in 2008 shows a positive growth in global mobile advertising revenue from $4,586 mn in 2008 to $7,375 mn in 2009, with a forecast growth of upto $19,149 mn in 2012. Mobile search advertising, mobile display advertising and mobile message advertising would be the three main pillars driving industry growth.

"Mobile Marketing is the most up-coming medium for advertisers and marketers globally" says Sanjay G, founder, mobiSolv.
Need and the Objectives of the Study:

All the studies above show that a lot of work has been done and is being done on the relevance and need of advertising but so far no attempt in this regard has been made in the State of Punjab. The Punjab is one of the State where per capita use of cellular phones is maximum and it drives us towards the direction to investigate some of the issues related to this. This study examines the role of advertisement in increasing the penetration of cellular services in Punjab. Advertising sometime do not include objective information because the primary function of commercial advertisements is to sell a product/service to the prospective buyer. Advertising as an institution and as a business and social process has the greater responsibility within the economic system of any country. So keeping in view its impact on economy and viewers and the cell phone service technology, the study holds significance. The specific objectives of the study are:

- To study the socio-economic profile of the cellular users and examine the impact of socio-economic factors in the sale/purchase of cellular services in both rural and urban areas.
- To study the extent to which advertisements affect the promotion of cellular services.
➢ To examine the efficacy of different promotional schemes affecting the sale promotion of cellular services.

➢ To identify the most effective ways of advertising in cellular services business

➢ To suggest a marketing strategy for further growth in the cellular services.

➢ To study the consideration in the minds of the customers while making a choice of cellular service.

**Research Methodology:**

The present study relates to the State of Punjab and is based on both primary and secondary data. The secondary data has been collected from various journals, books and policy documents of the government, whereas primary data has been collected from the respondents belonging to the three districts in the state. Stratified random sample technique has been followed to identify the respondents in rural and urban areas. A questionnaire was designed, tested and administered for collection of data. It was finally decided to select a sample of 600 respondents.

There are 20 districts in Punjab. It was quite difficult to include the rural and urban respondents in the sample from the whole of Punjab. The present study is restricted to the three
Districts of Punjab. These districts were Ludhiana, Patiala, and Bhatinda. These districts have their own significance in many ways - Ludhiana being an industrial hub of Punjab; Patiala, a centre of knowledge; and Bhatinda for having a sophisticated rural and backward background.

In all, 600 respondents were contacted - 200 from each district with a break-up of 100 rural and 100 urban respondents.

The composition of respondents contacted is as under:
- Servicemen
- Businessmen
- Students
- Others (not covered under the above categories).

While highlighting the advertisement sensitivity in the promotion of cellular services, a comparative study of Rural and Urban areas in the selected districts of Punjab was made. For this purpose, the mean, weighted average score, F-Test, and Pearson's Chi-square test have been used in this research work.

This Study consists of seven chapters. Chapter-I covers introduction and background of the present study, Objectives and Research Methodology. Chapter-II gives an overview of main mobile service providers. Chapter-III pertains to review of
literature. Chapters IV to VI provide the data analysis with tables and explanation. Chapter-VII concludes the study with Recommendations, Limitations, etc.

**Data Analysis- Urban**

From the analysis and discussion of the data relating to urban respondents, it is found that a good percentage of respondents are using mobile phones, even though they have no income. This practice is comparatively less in urban segment as compared to rural. Respondents belonging to ‘service’ category are having more than half of the mobiles. Number of BSNL mobile service users is the maximum followed by Airtel at position number two and vodafone at number three. A vast majority of the respondents has given ‘necessity’ as the main reason for having more than one mobile. Electronic media plays an important role in urban segment for the selection of mobile service company followed by the role of friends/relatives, in this behalf.

In urban segment, about three -fourth of the respondents do not agree to the statement that promotion schemes launched by the companies have an impact on the customers’ behaviour. 'Good services' factor plays a decisive role in the sale of mobile services followed by the price factor. Majority of the respondents were not influenced by the advertisements while buying their mobile service.
Above three-fifth of the respondents like/very much like to go through thoroughly the advertisements that appear on television and in newspapers & magazines. Urban respondents like Vodafone’s advertisements the most followed by Airtel and BSNL at position number two and three, respectively. Advertisements having interest element are mostly liked by the urban people.

Media advertisements’ effectiveness has its own say. A major proportion of the respondents endorse the proposition that advertisements in media affect the customer behaviour for the sale of mobile services. Whether appearance of the celebrities in advertisements affect the customers’ buying behaviour, to this, more than half of the respondents disagree. Company’s brand ambassadors and the advertisements presented by them are indeed liked by the viewers, the question is only of rating. The advertisements presented by the companies through brand ambassadors act as emotional appeal to the viewers, to some extent. The data further provides that a vast majority of the urban respondents disagree with the statement that advertisements affect the sale of mobile phone services.
Data Analysis - Rural

From the analysis and discussion of the data pertaining to rural respondents, it is observed that majority of the respondents using mobiles are from 'others' category which includes housewives, labour and non-employed respondents. In rural segment, percentage of respondents using mobiles without any income is comparatively high as compared to urban respondents. Airtel bags first position so far as rural users of mobile phone service is concerned; this is followed by BSNL and Idea at position number two and three, respectively. A vast majority of the respondents has expressed 'necessity' as the basic reason for having more than one mobile. Friends/relatives' factor plays a major role in rural areas for the selection of mobile phone service company, electronic media's role figures at second position.

In rural segment, majority of the respondents disagree to the proposition that promotion schemes launched by companies leave an impact on the customers' behaviour. Price factor plays a dominant role in rural segment for the sale of mobile service followed by Good facility factor. More than half of the respondents were of the view that they were not influenced by any advertisement while buying their mobile service. Majority of the respondents like/very much like to go through thoroughly the
advertisements while reading newspapers & magazines and seeing television.

Rural respondents like BSNL advertisements the most followed by Airtel and Vodafone, at position number two and three, respectively. A major proportion of the respondents agree to the statement that advertisements affect the customer behaviour so far as the sale of mobile phone service is concerned. A good proportion of respondents agree on this issue that appearance of celebrities in advertisements affect the customer buying behaviour; disagreement to the statement is comparatively less in rural areas as compared to urban. Companies’ brand ambassadors and the advertisements presented by them are indeed liked by the rural viewers also, the question is only of rating. The data further observes majority of the respondents disagree with the statement that advertisements affect the sale of mobile phone services.

**Data Analysis- Combined**

From the analysis and discussion of the combined data comprising urban and rural respondents, it is revealed that about one-fifth of the respondents are having mobiles, though they have no income at all. Respondents who fall in the 'service'
category are comparatively using more mobiles than other categories. Here, Airtel figures at position number one so far as the number of users of mobile phone service is concerned; this is followed by BSNL and Vodafone, at position number second and third, respectively. A vast chunk of respondents have given 'necessity' as the main reason for having more than one mobile. Like rural data, combined analysis also reflects that friends/relatives' circle play a dominant role in the selection of mobile phone service followed by the role of electronic media. Analysis further shows that above three-fifth of the respondents disagree with the observation that promotion schemes launched by various companies have an impact on the customers' behaviour. Similar to the urban response, combined data also reveals that 'good services' provided by the mobile service providers is the dominating factor in the sale of mobile service followed by the price factor. More than half of the respondents were of the opinion that they were not influenced by any advertisement for buying their mobile service. Like urban and rural response, combined data also concludes that a vast proportion of the respondents like/very much like to go through thoroughly the advertisements while reading newspapers & magazines and seeing television.
Analysis further reveals that advertisement liking rating for Airtel is foremost, followed by Vodafone and BSNL advertisements at position number two and three, respectively. A vast proportion of the respondents endorsing role of media effectiveness agree to the statement that advertisements affect the customer buying behaviour for the sale of mobile service. It further provides that majority of this respondents disagree with the statement that appearance of celebrities in advertisements affect the customers' buying behaviour. Company's brand ambassadors and the advertisements presented by them are indeed liked by the viewers, the question is only of rating. Here, Airtel's brand ambassador bags first rating followed by BSNL and Idea's brand ambassadors. The combined data analysis further reflects that majority of the respondents disagree with the view that advertisements affect the sale of mobile phone services.
**Conclusion:**

From the discussion and penetrating study of the data analysis, it is finally concluded that more than half respondents are of the opinion that they were not influenced by any advertisement during the course of buying their mobile service. However, advertisements through electronic media play an important role (about thirty eight percent) in the popularity of mobile phone services. Indeed, electronic and print media has its own some say. In urban segment an abnormal trend has been seen where hundred percent respondents in the age group of 15-20 years agree that advertisements in media effects the customers' buying behaviour for the sale of mobile phone service.

Overall analysis opinion goes against the version that promotion schemes launched by the various companies have an impact on the customer's buying behaviour. More than three-fifth respondents like/very much like to go through deeply into the advertisements while reading newspapers/magazines and also while seeing television. One significant analysis has emerged that source through advertisements in electronic media plays a guiding role for the rural and urban respondents both.

Appearance of celebrities in advertisements contributes to affect the minds of the customers in making choice. Rural
respondents are comparatively more responsive in this behalf. The liking of brand ambassadors and the advertisements presented through them also contribute to change the customers buying behaviour, the only question is to what extent?

In our present society, our actions and attitudes are motivated, to some extent. If advertising has indirect impact, sales promotion has direct impact, may be less or more.
**Recommendations:**

On the basis of this study, certain recommendations regarding advertisement sensitivity in the promotion of cellular services are worked out. These have the backing of the opinions of the sampled respondents. The implementation of the following recommendations can help to accelerate the growth of cellular services in the market:

1. Companies should consider slashing down their rates, thus diverting some of their profits to the customers.
2. Mobile phone service providers should launch sales promotion schemes in the form of consumer incentives or gifts etc. These schemes will indeed attract customers.
3. Mobile phone service providers should activate their personal contacts through their trained sales teams.
4. Mobile phone service providers should launch special events to promote their sales particularly in rural areas.
5. Numerous customers want to change their mobile service provider but without number. Facility to change the service provider without changing the number should be provided to the customers.
6. BSNL should try to improve the public relation and grievances redressal system.
7. Shortage of towers in villages is causing network problem to the consumers. Hence, towers should be increased in the rural areas.
Limitations:

The limitations of the study are as under:

(1) The findings are entirely based on the data collected from the three districts namely Bathinda, Patiala and Ludhiana - both in urban and rural areas.

(2) A sample of 300 people from urban areas of three districts does not represent the entire urban population of the three districts.

(3) A sample of 300 people from rural areas of three districts does not represent the whole rural population of the three districts.

(4) It would be worthwhile to undertake such survey periodically to know the exact mood of the people/consumers with the changing time.