CHAPTER VI
SUMMARY OF FINDINGS, CONCLUSION AND POLICY IMPLICATIONS

The present study is accompanied by three stages. At the first stage, the background of the customers were discussed along with their buying behavior and switching behavior in the mobile phone service market. It is followed by the study on the level of expectation and perception on core and value added service quality of the service providers and their respective service quality gap. At the third stage, the various precedents of service quality namely overall service quality, customer retention, customers satisfaction and customer loyalty had been examined along with the impact of perception on core and value added service quality factors on the precedents of service quality one by one.

Since the present study is highly based on the primary data, special care was taken to prepare the interview schedule. The interview schedule was divided into four important parts. The first part covers the profile of the customers and their buying behavior in the mobile phone service market whereas the second part includes the switching behavior and its determinants in the market. The third part of the interview schedule focuses on the level of expectation and perception on core and value added service quality in mobile phone service provider. The final part of the interview schedule examines the precedents of service quality of service providers. The relevant variables related to the concepts were derived from the review of previous studies. A pre-test was conducted among 90 customers at Chennai, Coimbatore, Madurai, Salem, Trichy and Vellore districts (15x6). Based on their feedback, certain modifications, additions and simplifications were carried out to prepare the final draft of the schedule. The sample size of the study was determined as 480 members with the help of the formula. The collected data
were processed with the help of appropriate statistical tools. The analysis and interpretation were discussed in the previous chapters. In the present chapter, the summary of findings, conclusions and suggestions are presented.

Majority of the customers in the present study are urban customers. The important gender among them is male which is commonly seen among the urban and rural customers. The dominant age group among the customers is 25 to 35 years and 36 to 45 years. The important age group among the urban and rural customers is 25 to 35 years.

The important level of education among the customers is under graduation and higher secondary. The most important level of education among the urban and rural customers is under graduation. The dominant profession among the customers is private employment and business. The most important profession among the urban and rural customers is private employment and business respectively.

The dominant marital status of the customers is recently married and unmarried. The most important marital status among the urban and rural customers is unmarried and recently married respectively. The important family size of the customers is 5 to 6 and 3 to 4 members. The most important family size among the urban and rural customers is 5 to 6 members.

The important personal income per month among the customers is Rs. 12001 to Rs.18000 and Rs.6000 to Rs.12000. The level of personal income among the urban customers is higher than the level of personal income among the rural customers. The important family income per month among the customers is Rs.20001 to Rs.30,000 and Rs. 30000 to Rs.40000. The level of family income per month among the urban customers is higher than the level of family income per month among the rural customers.
The important years of experience in using the mobile phone service among the customers is 3 to 6 and 7 to 9 years. The years of experience in using the mobile phone service among the urban customers are higher than the years experience among the rural customers. The important package plan among the urban and rural customers is pre-paid package. The important monthly bill paid on mobile phone services among the customers is less than Rs. 300 and Rs. 300 to 600. The monthly bill on mobile phone service paid by the urban customers is higher than the bill paid by the rural customers.

The important previous service providers among the urban customers are Aircel and Airtel whereas among the rural customers, these are Aircel and BSNL. Nearly 25 percent of the customers are not availing any mobile phone services before the usage of the present service. The important source of information about the service provider among the urban customers is salesmen and promotional measure. Among the rural customers, it is advertisement and company. Regarding the view on source of information about the service providers, the significant difference among the urban and rural customers have been noticed in their view on salesman, advertisement and retailers.

The important current service provider among the urban customers are Aircel and Airtel whereas among the rural customers, these are also the same. The important variables influencing the choice of the current service provider among the urban customers is Network coverage and low cost SIM card whereas among the rural customers, these are free SMS facility and National Roaming facility. Regarding the view on the variables influencing the choice of the current service provider, the significant difference among the urban and rural customers have been noticed in the case of 12 out of 27 variables.
The important factors influencing to select the present service provider among the customers identified by the factor analysis are service, economy, coverage, scheme and image. The variables in the above said factors are explaining it to a reliable extent. The highly viewed factors by the urban customers are scheme and economy whereas among the rural customers, these are coverage and service. Regarding the view on the factors, the significant difference among the urban and rural customers have been noticed in their view on service, economy, coverage and scheme.

The highly viewed factor by the customers of Airtel and Aircel are service and economy respectively. Among the customers of Idea and Vodafone, these are economy and service respectively whereas among the customers of Tata Docomo and Reliance, these are scheme and coverage. Among the customers of BSNL, it is coverage. Regarding the view on factors, the significant difference among the customers of various service providers have been noticed in the case of service, economy, coverage and image.

Regarding the perception on service factor, the significantly associating profile variables are age, level of education, profession, personal income and family income whereas regarding the perception on economy, these profile variables are gender, age, family size, personal income and family income. Regarding the perception on coverage factor, the significantly associating profile variables are age, profession, personal income and family income whereas regarding the perception on scheme, these profile variables are age, level of education, personal income and family income. The significantly associating profile variables regarding the perception on image are age, level of education, profession, personal income and family income.

The important discriminant factors leading to choose the current service provider in mobile phone service market among the urban and rural customers are service and coverage which are highly perceived by the urban
customers than by the rural customers. The important nature of customers in mobile phone service market is switchers which are commonly seen among the urban and rural customers. The higher switching from the service provider is noticed in the case of Vodafone and Idea whereas higher switching into the service provider is noticed in the case of Aircel and BSNL.

The highly viewed variables for the switching from one service provider to another service provider among the urban customers is competitive services and coverage whereas among the rural customers, it is noticed in the case of billing and geographical pressure. Regarding the view on the variables for the switching, the significant difference among the urban and rural customers have been noticed in 25 out of 32 variables. The important factors leading to customer churn (switching) identified by the factors analysis are process quality, service competitiveness, market reputation, service reliability, supporting services, network performance, and customer convenience.

The variables in each important factors leading to customer churn explain it to a reliable extent. The highly viewed factor by the urban customers is customer convenience and service competitiveness whereas among the rural customers, these are supporting services and service reliability. Regarding the view on the factors, the significant difference among urban and rural customers have been noticed in their view on process quality, service competitiveness and customer convenience.

The significantly associating important profile variables with the perception on process quality among the customers is age, level of education, profession, family size, personal income, family income, years of experience and monthly bill whereas regarding the view on service competitiveness these profile variables are age, level of education, profession, family size, personal income, family income, and years of experience. Regarding the perception on
market reputation, the significantly associating profile variables are level of education, profession, family size, personal income, family income, years of experience and monthly income whereas regarding the perception on service reliability, these profile variables are age, level of education, profession, personal income and monthly income.

Regarding the perception on supporting services, the significantly associating profile variables are gender, age, level of education, marital status, personal income and years of experience whereas regarding the perception on Network performance, these are personal income, number of mobile sets owned, years of experience and monthly bill. The significantly associating profile variables regarding the view on customer convenience are marital status, family size, personal income, number of mobile sets owned, years of experience and monthly prepaid amount.

The important discriminant factors leading to customer churn among the urban and rural customers are service competitiveness and customer convenience which are highly viewed by the urban customers than by the rural customers.

The service quality of mobile phone service provider have been examined by core and value added service quality. The important core service quality factors identified by the factor analysis are quality of service, tangibility, reliability, responsiveness, assurance and empathy. The included variables in the core service quality factors (CSQFs) explain it to a reliable extent.

The highly expected CSQFs by the urban customers are Quality of service and empathy whereas by the rural customers, these are reliability and empathy. Regarding the level of expectation on CSQFs, the significant
difference among the urban and rural customers have been noticed in their level of expectation on Quality of service and tangibility.

The significantly associating profile variables regarding the level of expectation on Quality of service are age, level of education, profession, family size, personal income, years of experience and monthly bills whereas regarding the level of expectation on tangibility, these profile variables are age, level of education, profession, family size, personal income, family income and years of experience. Regarding the level of expectation on reliability, the significantly associating profile variables are age, profession, family size, personal income and years of experience.

Regarding the level of expectation on responsiveness, the significantly associating profile variables are personal income and years of experience whereas regarding the level of expectation on assurance, these profile variables are level of education, personal income, family income, and years of experience. The significantly associating profile variables regarding the level of expectation on empathy are age, level of education, family size, family income, and years of experience.

The important discriminant CSQFs among the urban and rural customers are the level of expectation on Quality service which is highly expected by urban customers than by the rural customers. The highly expected CSQF among the customers of Airtel, Aircel and Vodafone is responsiveness. Among the customers of Idea, Tata Docomo and Reliance is also responsiveness whereas among the customers of BSNL and others, it is responsiveness and reliability respectively. Regarding the level of expectation on CSQFs, there is no significant difference among the customers of various service providers. The significant difference among the expectation on various CSQFs have been noticed among the customers of Airtel, Vodafone, Tata Docomo and BSNL.
The highly perceived CSQFs by the urban customers are responsiveness and empathy whereas by the rural customers, these are tangibility and empathy. Regarding the perception on CSQFs, the significant difference among the urban and rural customers one noticed in their level of perception on all six CSQFs. The significantly associating important profile variables regarding the perception on CSQFs are personal income, family income, years of experience, monthly bill, level of education and age of the customers.

The important discriminant CSQFs among the urban and rural customers is their perception on responsiveness and quality of service which are highly perceived by the urban customers than by the rural customers. The highly perceived CSQFs by the customers of Airtel, Aircel, and Vodafone are responsiveness, responsiveness and empathy respectively. Among the customers of Idea, Tata Docomo and Reliance, these are reliability, empathy and empathy respectively. Among the customers of BSNL and others, it is noticed in the case of responsiveness and reliability respectively. Regarding the perception on CSQFs, the significant difference among the customers of various service providers have been noticed in the case of perception on quality of service, reliability, responsiveness, assurance and empathy. Regarding the perception on CSQFs, the significant difference among the CSQFs have been noticed among the customers of Airtel, Vodafone, Tata Docomo, reliance and BSNL.

The service quality gap analysis reveals that the level of perception on CSQFs among the customers are not upto their level of expectation on CSQFs. The higher service quality gap among the urban customers is noticed in the case of tangibility and quality of service whereas among the rural customers, it is noticed in the case of assurance and reliability. Regarding the service quality gap, the significant difference among the urban and rural
customers have been noticed in the case of tangibility, reliability, responsiveness, assurance and empathy. The important discriminant service quality gap among the urban and rural customers are noticed in the case of reliability gap and assurance gap which are higher among the rural customers than among the urban customers.

The value added service quality of service providers have been examined in the help of 20 variables. The important value added service quality factors (VASQFs) identified by the factor analysis are network Quality, service pricing, convenience, service offering and usage ease. The included variables in each VASQF’s explain it to a reliable extent. The highly expected VASQFs by the urban customers are network quality and service pricing whereas by the rural customers, these are service pricing and service offering. Regarding the level of expectation on VASQFs, the significant differences among the urban and rural customers have been noticed in the expectation on network quality and service offering.

The significantly associating important profile variables among the customers with their level of expectation on VASQFs are their age, level of education, personal income, family income, years of experience and monthly bill. The important discriminant VASQFs among the urban and rural customers are the expectation on network Quality which is highly expected by the urban customers than by the rural customers.

The highly perceived VASQFs by the urban customers are usage ease and network quality whereas among the rural customers, these are noticed in the case of service pricing and usage ease. Regarding the perception on VASQFs, the significant differences among the urban and rural customers have been noticed in the perception on Network quality, convenience, service offering and usage ease. The significantly associating important profile variables with the perception on VASQFs are personal income, family
income, years of experience and monthly prepaid amount. The important discriminant VASQFs among the urban and rural customers are the perception on network quality and service offering which are highly perceived by the urban customers then by the rural customers.

The highly perceived VASQFs among the customers of Aircel, Airtel and Vodafone are network Quality, network quality and convenience whereas among the customers of Idea, Tata Docomo and Reliance, these are network quality, service offering and service offering respectively. Among the customers of BSNL and others, it is noticed in the case of usage ease. Regarding the perception on VASQFs, the significant difference among the customers of various service providers have been noticed in the perception on network quality, service pricing, convenience, and service offering. Regarding the perception on CSQFs, the significant differences among the CSQFs have been noticed among the customers in Airtel, Aircel, Idea and others.

The analysis on service quality gap on VASQFs reveals that the levels of perception on VASQFs are not up to the level of expectation on VASQFs. The higher service quality gap among the urban customers is noticed in the case of service pricing and network quality. Among the rural customers, it is noticed in the case of service offering and service pricing. Regarding the service quality gap in VASQFs, the significant differences among the urban and rural customers have been noticed in the case of service quality gap in convenience, service offering and usage ease. The significantly associating important profile variables regarding the service quality gap in VASQFs are level of education, personal income, family income, years of experience, monthly bill and age of the customers.

The important discriminant service quality gap among the urban and rural customers are the service offering and usage ease which are identified as higher among the rural customers then among the urban customers. The
higher service quality gap among the customers of Airtel, Aircel and Vodafone have been noticed in the case of service pricing whereas among the customers of Idea, Tata Docomo and Reliance, it is also service offering. Among the customers of BSNL and others, it is also service offering. Regarding the service quality gap in VASQFs, the significant differences among the customers of various service providers have been noticed in the case of network quality and service offering. The significant difference among the various service quality gap in VASQFs have been noticed among the customers of all service providers.

The precedents of service quality of mobile phone service providers are studied by overall service quality, customer retention, customer satisfaction and customer loyalty. The overall service quality of the mobile phone service provider have been measured with the help of 10 variables. The highly viewed variable in overall service quality by the urban customers are under coverage and free from congestion. Among the rural customers, these are free from congestion and competitive services. Regarding the perception on variables in overall service quality, the significant difference among the urban and rural customers are noticed in the perception on all 10 variables in it.

The included 10 variables in overall service quality explain it to a reliable extent. The level of perception on overall service quality of the service providers are higher among the urban customers than among the rural customers. The significantly associating profile variables with the level of perception on overall service quality are age, level of education, profession, personal income, family income, years of experience and monthly prepaid amount.

The significantly and positively influencing CSQFs on the perception on overall service quality of the service providers among the urban customers
are quality of service, reliability, responsiveness, assurance, and empathy whereas among the rural customers, these are quality of service, reliability, responsiveness and assurance. The level of impact of CSQFs on the overall service quality among the urban customers is higher than among the rural customers. The important CSQFs in the determination of perception on overall service quality are assurance and quality of service.

The significantly and positively influencing VASQFs on the overall service quality of the mobile phone service providers among the urban customers are network quality and service offering whereas among the rural customers, these are network quality, service pricing and service offering. The rate of impact of VASQFs on the overall service quality of the mobile phone service providers are higher among the urban customers than among the rural customers. The important VASQFs which influence more on the overall service quality is network quality.

The levels of customer retention among the rural customers are higher than among the urban customers. The significantly associating profile variables with the level of customer retention among the customers are level of education, profession, personal income, family income, and monthly prepaid amount.

The significantly and positively influencing CSQFs on the customer retention among the urban customers are the quality of service, reliability and responsiveness whereas among the rural customers, these are quality of service, tangibility, reliability and empathy. The degree of impact of CSQFs on customer retention among the rural customers are higher than among the urban customers. The highly influencing CSQFs on customer retention among the customers are quality of service and responsiveness.
Among the urban customers, the significantly and positively influencing VASQFs on the customer retention are network quality service offering and usage ease whereas among the rural customers, these are network quality, service pricing, convenience and service offering. The rates of impact of VASQFs on customer retention among the rural customers are higher than among the urban customers. The highly influencing VASQFs on the customer retention among the customers are network quality and convenience.

The customer satisfaction on the service providers have been measured with the help of 10 variables. The highly perceived variables in customer satisfaction among the urban customers are coverage and signal quality whereas among the rural customers, these are coverage and closeness. Regarding the view on variables in customer satisfaction, the significant difference among the urban and rural customers are noticed in the case of ten variables in it.

The included 10 variables in customer satisfaction explain it to a reliable extent. The level of customers satisfaction on the service provider among the urban customers is higher them among the rural customers. The significantly associating profile variables with the level by customer satisfaction are age, level of education, personal income, family income, years of experience and monthly prepaid amount.

Among the urban customers, the significantly and positively influencing VASQFs on customer satisfaction are network quality and service offering whereas among the rural customers, these are network quality, service pricing, service offering and usage ease. The degree of impact of VASQFs on the customer’s satisfaction is identified as higher among the rural customers than among the urban customers. The highly influencing VASQFs on customers satisfaction among the customers is network quality.
The customer loyalty among the customers have been measured with the help of seven variables. The highly viewed variable in customers loyalty by the urban customers are recommend the service providers to others and positive image on the service provider whereas among the rural customers, these are also the same but the significant difference among the urban and rural customers have been noticed in the case of two out of seven variables in customers loyalty.

The seven variables in customer loyalty explain it to a reliable extent. The level of customer loyalty among the rural customers is higher than among the urban customers. The significantly associating profile variables with the level of customer’s loyalty among the customers are age, profession, personal income, family income and monthly prepaid amount.

The significantly and positively influencing CSQF’s on the customer loyalty among the urban customers is quality of service whereas among the rural customers, it is empathy. The degree of impact of CSQF’s on customer loyalty among the rural customers are slightly higher than among the urban customers. But the degree of impact of CSQF’s on customer’s loyalty among the customers is lesser than its impact on customer satisfaction.

The important discriminant precedents of service quality of mobile phone service provider among the urban and rural customers is customer retention and customer satisfaction. The level of customer satisfaction is higher among urban customers whereas the level of customer retention is higher among the rural customers.

7.1 CONCLUDING REMARKS
The present study conclude that the important factors leading to choose the service provider in mobile phone service market is service, economy, coverage, scheme and image. Majority of the customers are switching from
the previous service providers to present service providers. The highly substituted brand of service provider among the customers is Aircel. The important reasons for switching among the customers is process quality, service competitiveness, market reputation, service reliability, supporting services, network performance and customer convenience. The important discriminant factor leading to switching among the urban and rural customers is service competitiveness.

The level of expectation and perception on core and value added service quality factors of the service providers are higher among the urban customers than among the rural customers. The higher service quality gap is identified in all core and value added service quality factors among the urban and rural customers whereas it is higher among the rural customers. By the service quality gap, it is inferred that the levels of perception on service quality of service providers are not up to the level of expectation on it. There is a significant difference among the various service providers regarding their service quality gap. The most important discriminant service quality gap in core and value added service quality among the urban and rural customers is reliability gap and service offering gap respectively.

The level of perception on overall service quality, and customer satisfaction are higher among the urban customers whereas the customer retention and customer loyalty are higher among the rural customers. The significantly influencing CSQFs on overall service quality among the customers is quality of service, reliability, responsiveness, assurance and empathy whereas the VASQFs are network quality and service offering. The significantly influencing CSQFs on customer retention among the customers is quality of service, tangibility, reliability, responsiveness and empathy whereas the VASQFs are network quality, service pricing, convenience and service offering. The degree of impact of CSQFs and VASQFs on the
customer loyalty is relatively lesser than the impact on the customer satisfaction. Hence, the study conclude that the service providers in the mobile phone service market have achieved the customer satisfaction but not generating customer loyalty due to hectic competition in the market.

7.2 POLICY IMPLICATIONS
Based on the findings of the study, the following suggestions are drawn.

1. True Purchasing Behaviour
The market competition in the mobile phone service market will inevitably become much more intense since India’s formal entry into the WTO. More and more foreign giants will get involved in due course. On the other hand, it is expected that the newly restructured telecom service in India, BSNL will play an important role in mobile phone service. Therefore, firms expecting to build and maintain competitive advantage in this market must try their best to improve their service quality, deliver superior customer value, achieve higher customer satisfaction and turn behaviour intentions of customer into the true purchasing behaviour.

2. Customer Loyalty Programmes
Since the loyalty programmes accompanied by well-designed customer satisfaction programmes can be effective in increasing customer retention, the service providers pay more attention on these aspects. The design of proper incentives can be achieved by analyzing customers evaluation of different satisfaction components and usage patterns. Both can help a marketing strategy that combines various promotion tools. For example, in the mobile phone service market, such tools might include more attractive weekend pricing, a new handset with discounted price, and free value-added service for heavy users.
3. Discriminant Strategy

The service providers are better off implementing a feature-based differentiation of service products than using a typical price discrimination scheme. It was also interesting to find that mobile-locus are less sensitive to the pricing aspects of services. In other words, the level of satisfaction on pricing was much less significant for heavy users than for regular users. They seem to look for a good range of supporting services and are willing to pay for them.

4. Product and Service Strategy

The service providers should develop products/services which fulfill the fundamental needs and motives among various customer segments and continuously emphasize this in the communication targeted at the various customer segments. This will provide the best starting point for developing and designing new mobile phone services and then use this as an element in the marketing and communication towards the segments. In this way, the service providers can position their service as a symbol of certain life styles, norms and values that are attractive in the eyes of various customer segments.

5. Marketing Strategy

It is becoming an industry-wide belief that the best core marketing strategy for the future is to try to retain existing customers by heightening customer loyalty and customer value. The operators should decrease their subscribers’ sensitivity to price. It can be said that factors such as trust, perceived service quality, perceived switching cost and positive corporate image are very important for the operators to establish a loyal customer base and decrease their sensitivity to price.

6. Value Added Services

Changing shifts from price and core services to value added services in the market, the operators should differentiate their services and guarantee
quality of their services in order to maintain their market share. The differentiated services and the superior quality standards of these services will not only increase trust in the operator, but also enable the formation of a positive corporate image in the subscribers’ minds.

7. Customer Relationship Management

In the current business scenario, Mobile customer Relationship Management (CRM) applications effectively enable service providers to automate business process that involves employees who spend much of their time out of the office. The use of mobile CRM is mostly benefiting the sales team of the service provider. Sales applications offer the greatest return on investment, and help sales departments increase revenue. The service operators are planning to enter into the market and capture their customers.

8. Economy Model for Rural Poor

Though the rural consumers were having low income and knowledge, they preferred to step into the shoes of modernity such as new technology enabled, advance features in mobile service with proper guidance. It must be taken into account that they wanted to make the optimum utilization of their hard earned money. Regarding the choice of service provider they focussed on facilities provided, effectiveness, dexterity, relative advantage and influential person. It is also pertinent to mention here that rural consumers were having low income group and they demanded easy loan facility and installment facility in order to have latest technology enabled mobile phones.

9. Loyalty Programs

Only Loyalty programs accompanied by well designed customer satisfaction programs can be effective in increasing customer retention. The loyalty programmes should be designed as per the requirement of the customer segment. Since the requirements of urban market is different from the rural market.
10. Customer Retention strategy

As competition is increasing among the service providers in the mobile phone service market, the service providers are moving aggressively to attract customers by offering attractive promotions and services. Since the cost of retaining existing customers is lesser than the cost of attracting new customers, it is highly advisable to retain the existing customers by the service providers. The perceived quality, perceived value and corporate image have high effect on customer satisfaction. The managers should consider the above said factors to retain their existing customers.

11. Competitive Advantage Strategy

The Service providers in the mobile phone service market should understand the need for building, implementing and maintaining competitive advantages strategies. The competitive advantages can be reaped with the help of consistent improvement in service factors and service quality at a reasonable service pricing. This is the best way to turn the switching behavior among the customers in the market.

7.3 SCOPE OF FUTURE STUDY

In the light of the present study, the researcher has identified the following areas for further research.

(i) The service quality, customer satisfaction and behavior intentions of customers in mobile phone service industry in India.

(ii) The comparative study on the customers’ perception on services offered in mobile phone service industry in rural and urban areas.

(iii) The customer’s loyalty in the mobile phone industry among the various customer segments.

(iv) The antecedents and consequences of customer loyalty in the Indian mobile telecommunication market.
(v) Marketing strategies of various service providers in the Indian mobile telecommunication market.
(vi) Price - sensitiveness in Indian mobile telecommunication
(vii) Customer relationship Management in Mobile telecommunication industry.
(viii) The direct and indirect role of customer satisfaction in between the service quality and customer loyalty in the telecommunication industry.
(ix) A comparative study on the performance of public and private service providers in the mobile phone service market as per the view of the customers, and
(x) The Customers Churn Analysis in mobile phone service market.