CHAPTER 3

RESEARCH METHODOLOGY

3.1 PROBLEM OF THE STUDY

In the last few years, the demand for mobile telecommunication services has grown exponentially (Bloom, 2005). The growth in consumers' use of mobile services has been accompanied by an increase in the sophistication of mobile technology devices (Bal Subramanian et al., 2002). Mobile users increasingly use these devices not only for voice communications, but also for computing purposes including internet access, e-mail, text and multimedia transmissions (Jarvenpaa & Lang, 2005). Surging demand for mobile services and proliferation of service offerings has resulted in rampant switching behavior among mobile users. This has resulted in intense competition, severe price wars, promotion campaigns, attractive calling plans, and a host of customer retention strategies among mobile service providers. There is an emerging, yet growing body of research on user behavior in mobile environments. Several scholars have examined users' intentions to adopt and use mobile services (Bruner and Kumar, 2005; Kim et al., 2005; Lu et al., 2005). Although these studies shed light on specific factors that influence the adoption of mobile services, there is only limited understanding on post-adoption attitudes such as switching behavior.

Our study addresses this important gap. In this research, our goal is to examine the switching behavior of mobile users. We seek to identify key user-related constructs that influence customer churn. Specifically, we examine if relational investments made by mobile users in a user-provider relationship and user demographics influence their switching behavior. This research is an initial, exploratory study that seeks to understand the influence of key user-related factors on mobile users' switching behavior.
The present study has been carried out with an objective to examine the role of switching behaviour of Indian telecom users. Mobile user switching has become a critical issue facing mobile service providers. Drawing upon the literature on relationship marketing and switching costs, we examine if the relational investments, service quality and customer satisfaction of mobile users in a user-provider relationship and demographics influence their switching behavior.

### 3.2 OBJECTIVES OF THE RESEARCH

The study has the following objectives:-

1. To find the antecedents of switching behaviour.
2. To study the relationship between switching behaviour and demographic variables
3. To study the role of intermediaries in switching behaviour of cellular users.
4. To analyze the impact of switching behaviour on telecom service providers.
5. To examine strategies adopted by the telecom companies to check the switching pattern of consumers.

### 3.3 HYPOTHESES

This research formulates following hypotheses:

H1a: Higher level of customer loyalty will be negatively related to switching behaviour.

H1b: The higher the score on customer perceived service quality, the lesser will be the switching behaviour.

H1c: The higher the level of customer satisfaction, lesser will be the switching behaviour.

H1d: Service usage will be negatively related to switching behavior of mobile users.
H1e: Duration of user-provider relationship will be negatively related to switching behavior of mobile users.

H1f: Service bundling will be negatively related to switching behavior of mobile users.

H2a: Age will be negatively related to switching behavior of mobile users.

H2b: Female users will exhibit lesser propensity to switch than male users.

3.4 PROPOSED RESEARCH DESIGN

Defining the Research Problem

Defining the research problem is an important step in a research. The research problem of this proposal is to study “Switching Behaviour of Telecom Subscribers: A case study of subscribers in Punjab and Chandigarh”

Scope of Study

The study covers Chandigarh and surrounding cities. Basis of the selection of these cities is:

• More Tele-density subscriber base.

• Close proximity to the Circle Switches.

• Socio-demographic features of these cities.

Selection of Services

While selecting services for the study, a number of factors are taken into account. Both prepaid and post-paid services are selected for this purpose. Perceived monetary costs, uncertainty costs, evaluation costs, learning costs and set up costs were considered in developing the construct for switching cost.
Questionnaires
The questionnaire is prepared in English only. It is a structured questionnaire that includes questions and scales on all concepts included in the hypothesis viz. customer loyalty, customer perceived service quality; customer satisfaction, Service usage, Duration of user-provider relationship, Service bundling, Demographic variables. Different questionnaires will be framed for subscribers, dealers and telecom service providers.

Sample Design and Sample Size
Six major telecom service providers are selected i.e. Reliance Infocomm, Airtel, Tata Telecom, Vodafone, and BSNL and spice telecom. Through random sampling, a sample of 500 respondents is selected for administering the questionnaire.

Data Collection:
This study is based on primary and secondary data. The main sources of secondary data are published reports of World Telecommunications development, Department of Telecommunications, Indian Telecom Policy, Year book of Statistics, Journals, Books and various websites of the Mobile operators. The primary data has been collected through the questionnaire and personal Interviews. Six major telecom service providers are selected i.e. Reliance Infocomm, Airtel, Tata Telecom, Vodafone, BSNL and spice telecom. Through random sampling, a sample of 500 respondents is selected for administering the questionnaire at the touch-points of these Telecom Operators in these select towns. Besides this, a sample of 50 questionnaires has been collected from dealers and 6 from telecom service providers.

Data Analysis: After collection of data from primary and secondary sources, data has been codified and tabulated. The data has been classified into purposeful and usable categories.
Statistical computations such as average, percentages, simple correlation, regression and chi square test have been worked out to provide meaningful analysis. The appropriate statistical operations along with the use of tests of significance have been carried out to safeguard the drawings of conclusions concerning the study. Both graphical and statistical tests have been carried out using SPSS to assess the actual degree of departure from normality the mean, standard deviation and reliability estimate of each model.