Abstract

India's telecommunication sector underwent a spectacular transformation as a result of liberalization. National Telecom Policy 1994 acknowledged that the present infrastructure and other existing government resources may not be enough to bring anticipated growth in the telecom industry. The sector was opened for private players in the same year. Foreign players were encouraged to invest in India by increasing the amount of equity ownership in Indian telecom companies from 49% to 74%. Growth of private mobile operators required the establishment of a regulatory body. Thus TRAI (Telecom Regulatory Authority of India) was created during February 1997, through enactment of the TRAI Act, 1997. The Indian telecommunication industry has the world’s 2nd largest customers base with 21 mobile operators, functioning in 22 telecom circles and providing lowest tariff is the world (The Telegraph, 2011) The telecommunication industries share in the Indian GDP is 2%. Approximately 3 million persons are employed directly in the industry and another 7 million are indirectly employed (COAI, 2011). With high growth, competition also follows and it becomes extremely important and difficult for companies to make customers satisfied.

In a buyer’s market subscribers can effortlessly change their mobile service provider by just changing their SIM (Subscriber Identity Module) card or opting for number portability. It is becoming an increasingly formidable task for mobile service providers to retain and increase their subscriber base. Customers are highly quality conscious and demand additional services to continue with their existing service provider. Mobile service providers now acknowledge that retaining subscribers are important to survive in a highly competitive industry. Mobile operators are now using strategies like service consistency, being more proactive to subscriber grievances and offering customized service plans. Attracting new subscribers with offers is just the first step; subscribers will stay on if they are satisfied with the service. In mobile telecommunication profit comes only from loyal subscribers through their continued endorsement and staying with the same service provider. The present research is conducted to find consumer’s perception and attitude towards these loyalty strategies.

From the review of literature, research gaps were identified and research objectives were prepared:

- To evaluate the significance of different factors responsible for determining subscriber loyalty in the mobile telecommunication industry in Hooghly district.
- To evaluate the role of different demographic factors of mobile subscribers and its influence in mobile usage.
- To formulate a model to predict subscribers brand loyalty.
A Fishbone Diagram was constructed after identifying all the variables of the study from the literature review, pilot survey and refined after interaction with industry veterans. Thirteen hypotheses were constructed on the basis of the research objectives. For the collection of primary data a structured questionnaire was constructed and validated. The sample size for the present research is 620 mobile subscribe users. The data analysis in this study was done with the help of IBM Statistical Package for the Social Sciences (SPSS) version 21. From data analysis it was observed that network quality, tariff, VAS, data/internet experience, customer care service, and brand perception have a significant relationship with subscriber’s decision regarding brand switching. From further regression analysis and model building, it was noted that:

- Subscribers give more importance to the network quality outside the city along with network congestion (line busy) and call drop (disconnection).
- Out of the nine variables on tariff, only four are significant, viz. local tariff rates, STD/ISD rates, availability of convenient location of recharge point and price based promotional offer.
- Out of the four variables on Value Added Services, three are significant- Unique VAS, Apps Access and ISD Schemes.
- Five variables were studied on data service quality, out of which three variables- data charge/tariff, free downloads offered and quality of the data card provided was found to be significant.
- Customer Care Behaviour, Attitude to paid customer call and IVR quality are significant, regarding Customer Service Quality.
- Subscriber’s perception regarding brand image of the mobile service providers were analysed through four parameters. It is observed that the variables- brand match with lifestyle and advertising creates lasting image about brand are found to be significant.

The research outcomes are significant, not only to the mobile operators, but also to mobile users, government and the society in general. The mobile industry is expanding at a high rate, while operating in a market with changing government policies. With subscribers wanting the best service at the lowest price, retaining subscribers and reducing churn have become exceedingly difficult especially after the implementation of number portability. Mobile services have become important to both individual and business alike. From facilitating in educational service to simple voice calls the service find usefulness with every segment of the population. Therefore, the current research can open many new aspects of dynamic thinking, intellectual pursuit and collective action, not only for the betterment of subscriber’s mobile service experience, but also for the industry and society in general.