CHAPTER 5

SUMMARY AND FINDINGS
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This chapter deals with the summarization of various findings and suggestions for the improvement of cellular services rendered by Airtel to its customers. The present study has brought forth into limelight some of the achievements of the Airtel Company towards its customers’ satisfaction and some of the dissatisfaction levels experienced by them, which are rather findings of this study, presented as follows:

**Indian telecom industry – third largest in the world:**

Indian telecom network, with about 653.92 million connections by May 2010, has emerged as the third largest in the world and the second largest among the emerging economies of Asia.

**Telecom services – from the corporate to common person:**

Telecom sector is experiencing drastic changes enabling the corporate purchaser and the common person to enjoy the fruits of reform process in the sector. The unimaginable plethora of services brought forth by the communication technology has created an enabling environment for the big and small in the society. Thus, it has emerged as an inevitable industry touching all the people at all the times.
From Monopoly to Competition:

The telecom industry that was once monopolized by the public sector is now thrown upon to private sector in the wake of new economic policy of the government of India. This has given opportunity to many new private sector firms to emerge as competitors and low cost services to the customers.

The government also realized that unless private participation was allowed in the sector leading to the interplay of market forces, the ultimate benefits would take long to trickle down to the customers. This led to the opening of the telecom sector to private players. Thus the entry of private firms benefited the sector by dismantling the monopoly existed in the past. The Competition Act, 2002 passed by the parliament vigilantly fosters competition in all sectors of the economy including the telecom sector. The customers are reaping innumerable benefits in the form of quality of services and value added services.

The momentum brought by private players further has its boost with the facilitation of increasing foreign direct investment (FDI). As a result connectivity has improved through innovative and varied products and services that are available today at affordable price.

Cutthroat competition:

The service providers frequently experienced intriguing situations arising out of cutthroat competition and high-end rivalry among the players.
A prime mover of growth:

The fast pace of availability of cell phones has triggered the commercial activities, because of which, the economic growth reflected in the form of GDP also has escalated. Increase in teledensity has resulted in contribution to GDP growth.

E-Commerce facilitated:

Mobile communication has revolutionized the mode of communication and changed the life style of the people. All most all the business people are using mobile communication for their business transactions like advertising their products, at lesser cost. The new wireless technologies have come to extend better advance cost-effective solutions.

Mobile phones - an essential form of infrastructure:

Cellular segment which is currently experiencing a consolidation wave will be a key growth driver of the telecom services market in India. The study reveals that mobile phones are seen as an essential form of infrastructure that will transform a host of other service sectors in rural economies around the country. Mobile communication is revolutionizing economic and social life in rural India, spawning a wave of local entrepreneurs and creating greater access to social services.

Mobile phones became all pervasive:

Mobile phone technology is felt all-pervasive since it has become a channel for delivery of services in respect of governance,
health, education, entertainment and other areas. The variety of telecom services that are offered now to the users is amazingly vast.

**Global renowned companies set their base:**

With the government initiatives, leading world majors in telecom equipments like Nokia, Motorola, Sony Ericson, Samsung, LG Electronics, etc have set up their mobile phone production units in India.

**Higher targets set:**

Efforts are now being made to achieve the target of 600 million telephone subscribers by the end of Eleventh Five Year Plan. It is also proposed to achieve rural tele-density of 25 percent by means of 200 million rural connections at the end of the Eleventh Five Year Plan.

**TRAI to conduct regulations:**

TRAI Act sets telecom tariffs and fix terms and conditions. A new appellate authority, Telecom Disputes Settlement Appellate Tribunal (TDSAT) – separate from TRAI – has been set up to decide on disputes between the government and private operators.

**More service to customers:**

Amidst the increasing teledensity and growing expectations of the customers, the cellular companies are competing each other to increase their business by offering attractive packages and value added services like voice mail, teleconferencing, video conferencing, SMS, MMS, m-commerce and speedy exchange of data, employment opportunities, etc., to the customers.
Declining number of customers for fixed telephony:

Fixed line telephony provided by MTNL and BSNL has been found to be costlier when compared to GSM and WLL players with innovative offering and slashing call rates. Customers who have high degree of mobility like these mobiles. Because of this, BSNL has slashed the entry costs for new subscribers. Thus it is evident that competition is growing between the hitherto dominant BSNL and other private competitors. This has forced the BSNL to upgrade its technology and improve its customer care.

MTNL's emergence:

Since its set up by the government of India in April 1986, the company has taken rapid strides to emerge as India's leading and one of Asia's largest telecom operating companies with 13 per cent share in India's tele-communication network comprising host of value added services. Tremendous resource and asset base, cost reduction, etc., have contributed to the growth of MTNL's business.

Bharti Tele-ventures Limited emerged as important player:

Bharti Tele-ventures, one of the main holding companies of the unlisted Bharti Enterprises has emerged as one of the strongest players in the fast-changing and rapidly growing Indian telecommunications market. The Company enjoys strong brand name recognition and has a reputation for offering high quality service to its customers. Some of the brands in the company's portfolio are Airtel (post paid products), Magic (pre paid cellular brand) and Mantra Online Services.
**Consumer-oriented telecom policy:**

The new telecom policy aims at an enabling framework for the development of the cellular industry to force the service providers to proactively meet the insatiable and ever increasing expectations of the consumers. Ensuring the availability of telephone on demand, accessing telecom services at affordable and reasonable prices, covering all villages, providing quality telecom services, dispute resolution through public interface, create a modern and efficient telecommunications infrastructure, strengthening R & D efforts in the country and enable Indian telecom companies to become truly global players.

**Opportunities plenty for rural service providers:**

A great opportunity exists for the service providers to plan and implement their strategies for extending excellent services to the rural sector utilizing and bargaining with the Government for their telecom service needs to be on the win-win situation

**Government evolved a forward telecommunication policy:**

The government of India through its new telecom regulation policies has been insisting on quality of services as expected by the consumers especially in the era of liberalization with global technological environment. Availability of affordable and effective communications for the citizens is at the core of the vision and goal of the telecom policy.
TRAI has its impact: Established in 1997, Telecom regulatory Authority has affected telecommunication sector in the country through its regulations. Its successes are felt in transparency in decision making, affordable tariffs, fair competition among service providers, access to world class quality communications, promoting efficiency in operations, adoption of emerging technologies within the framework of technology, neutral policy, etc. TRAI has issued necessary regulations, directives, orders or guidelines from time to time to achieve the above objectives.

Telecoms are no exceptions to social responsibilities:

The study reveals that like any business house, telecoms have also an obligation to fulfill legal responsibilities by following the laws and social obligations.

Karnataka offers a wide choice of players in telecom:

Karnataka, especially with its host of IT activities at Bangalore city, has facilitated the establishment of many telecom companies with basic telephony and networking for telecommunication services. With the software technology parks of India hosting more than a thousand IT companies and with the high teledensity, Karnataka circle scores fourth rank in terms of telecom growth in the country.

Bharti Airtel – the leaders:

Bharati Airtel has been the leader of change in India’s dynamic telecommunications pace with its passion for innovation.
Airtel – the innovator:

Airtel is committed to leading change through constant innovation. The study reveals that Airtel continuously seeks opportunities to think ahead to consider alternatives to the old ways of working and its quest in making a genuine difference to customers.

Large base of Airtel customers:

Airtel mobile service has crossed over more than 20 million customers and of late has been able to add more than a million customers every month. When compared to the other leading cellular services, viz., Reliance and BSNL, Airtel commands more than 34.5 per cent in the market share at all India level, followed by Vodafone (24%), BSNL (21.7%), etc.

Airtel unit mobile services constitutes the largest portion of its business:

Airtel company has its presence in 3778 census towns and in 80,687 non-census towns and villages covering a sizeable 40 per cent of population.

Every citizen in India is a consumer of some product or service. But the common experience in our daily life is that we are not totally happy with the kind of services. In this direction the present study tries to create not only consumers awareness but also alertness among the businessmen through the process of eliciting the public opinion about the quality of services rendered by them to their customers.
Business category – the major segment of customers:

The study reveals that cellular phone usage has yet to pick up among the rural people. Agriculturists constituted only 3 per cent of Airtel customers whereas business category customers dominated the market segment of the customers. Thus the study throws light on the need for tapping rural markets to widen its market segment.

Low base of less income group customers:

The study reveals that Airtel lagged behind in attracting lower income group of customers whereas its competitors could attract more numbers in that category. It is understood from the study that Airtel pricing strategy concentrates on the higher income segments of urban areas.

Differences in gender preferences:

Male customers showed their strong preference to Airtel services. Most of the female customers indicated that free talk time facilitated by Tata Indicom is their choices preference even though their male partners preferred Airtel services. Tata Indcom is found to be a favorite among the younger female groups.

Airtel popularized Other Brands:

Nokia hardware and Airtel software combination became a big success in the market. With Airtel fastly penetrating into the market, the demand for qualitative handsets in the market became imperative. Thus most of the Airtel customers became customers of Nokia handsets more or less at the same time.
High preference for prepaid connections:

Majority (75 per cent) preferred to prepaid connections instead of post paid connections because of economy feasibility and clarity and control over expenditure and also to avoid hurdles of wrong bills, etc.

It is also advised there that Airtel better not to purchase the discontentment of its existing customers by not persuading them through their marketing personnel to opt for post-paid service, unless the customers asked for the same.

Airtel edge over other competitors:

The study reveals that the edge of Airtel over others as well as the degree of emerging competition from other service providers to Airtel. The more the awareness of the existing customers for other brands, the more would be the likely penetration of those brands that might reduce the market share of Airtel especially when the lower income groups showing their preference to other brands.

Attraction of Airtel Advertisement:

The brand image created by the Airtel advertisement had been really fascinating and worth emulated by other service providers. That the majority of the respondents bought Airtel mobile connection because of popularity in brand, service and easy availability are the main important factors influenced them to opt for Airtel services.
Influence of peers on marketing of Airtel:

Most of the consumers are aware of Airtel brand through their friends and relatives and they further influence them to subscribe Airtel services. Thus, the ‘peers’ effect is evident among the Airtel’s customers. If Airtel introduces some incentive schemes which can facilitate chain-link benefits among Airtel customers, it would further boost up its sales performance.

Qualitative Services:

Majority of the respondents, as the study reveals, opted services of the Airtel because of the good network, affordable pricing, easy accessibility, special offers, etc. Overall, 55 per cent of the respondents graded Airtel services as ‘excellent’ or ‘good’.

Not satisfied with missed call alerts:

Majority of the Airtel customers opined that Airtel should provide missed call alert as part of its free services instead of taxing the customers. It is suggested that those who subscribe missed call alerts may be provided the worth of free calls. This would enhance further the business of Airtel.

Satisfactory customer retention rate:

The study affirms that majority of the existing Airtel customers shifted their connections from other brands and also the original customers of Airtel continued their subscriptions without shifting to other brands. It is evident that Airtel could attract customers of other services into its fold without loosing its existing customers. Thus it
has become a strong competitor to its counterparts in the cellular phone business.

**Influence of attractive pricing and new schemes:**

Sustainability in the market mainly depends on the existing customer’s feedback about the services of any product. Airtel in this regard scored a success as per the reasons mentioned by the Airtel customers. Majority of the existing customers have shifted their options to attractive pricing and new schemes offered by Airtel.

**Multi-pronged pricing strategies:**

The pricing strategies to telecom firms are multi-pronged to include competition based, demand based, ROI based and the like. The pricing strategies enabled the service providers to retain customer, increase customer base, profitability, growth and expansion.

**Airtel can still improve:**

Customers are of the opinion that Airtel has still more potential to improve its services, specially its networking services. With a positive image in the minds of its customers, Airtel is poised to dominate the market scenario.

**Airtel brand has come to stay:**

Besides Airtel brand name itself is the most influencing factor to opt for its option, and cumulative effect of all other factors like its brand popularity, easy purchase options, price and other services have contributed for widening its customer base.
Advertisement played its vital role:

The special effects of Airtel advertisements have left lasting impressions on the minds of its customers. Advertisement played a unique role in developing the brand Airtel. Electronic mode of advertisements influenced the most as opined by the majority of its customers.

Mixed reactions on recharging options:

The study reveals the existing mode of recharging options has proved to be highly satisfactory according to the majority of the Airtel customers. It is revealed in the study that almost an equal number of customers percentage wise expressed satisfaction against each range of recharging options. However, nearly half of the customers in the study opined some dissatisfaction about the pricing strategies as they felt that the benefits given in option are taken off when customers switch over to new offers. They did not feel the marginal benefits.

Dissatisfaction on network:

In spite of the overall satisfaction about the services of Airtel, its customers had no hesitation in expressing certain problems they encountered with network failures. It is time Airtel should address these problems to ensure its growing market.

Bill Delivery:

Majority of the customers expressed that they did not experience the delay in delivery of post paid bills. However, the cellular services provided by the Airtel are not free from errors.
However, the study reveals that delay in the delivery of bills was experienced by some of the customers.

**Incidence of overcharged bills was low:**

The study reveals that the incidence of overcharged bills was very low, however, the errors of this type should not be allowed to happen as it would become detrimental to the business interests.

**Other problems:**

A few complaints on incidence of ‘wrong calls’ due to jamming of network were also reported.

**Useful SMS services:**

The customers of Airtel rated high the SMS services offered by it. Most of them expressed that they were useful, informative, though a few of them complained that they were irritating and not very useful.

**Locational convenience of service outlets:**

Majority (75%) of the customers expressed satisfaction about the convenient location of Airtel outlets, though a few of them rated it as average. Customers, however, made complaints like long waiting to get their queries resolved in the show rooms i.e. delay in replies, etc., were evident in the study. As the customer base of Airtel has been widening, it is suggested here that a few more outlets may be established especially in metropolitan cities like Bangalore.
Customer care services can be ‘still better’:

There is an overall satisfaction about the customer care services of Airtel. However, the customers opined direct number contact with the personnel attending such services instead of computerized replies. When the customers are eager to convey their problems, the computerized replies indicating other information not desired by the clientele are much to their disliking.

Airtel may find a solution to these problems which can be easily overcome by opening additional service phone lines

Customers feel the problem, but no complaints:

It is evident from the study that majority of the customers did not take initiative even when problems occurred to them. They did not resort to proper forums for the redressal of their grievances. Not even 5 per cent of the sample size was found to be interested in approaching consumer redressal forum under Consumer Protection Act. This might be due to their apathy or their ignorance on how to take action.

No awareness on service conditions:

Only 23 per cent of the respondents surveyed stated that they knew the service conditions offered by the Airtel and the rest of them either were never bothered to know what is offered to through Airtel service conditions or knew to some extent. This unawareness has been responsible for no complaints or a few
complaints coming forth from the customers. Seeing the plight of Indian consumers and their apathy due to their consumer illiteracy and ignorance, the company has to be proactive and resolve their problems. Therefore, it is important for the company to take appropriate steps to make the consumers aware of the service conditions.

When open ended question was asked to name the unique problems the customers experienced with Airtel, the responses came in the form of:

- network problems sometimes
- Very often not receiving signals
- Levying more hidden cost confusing the customers and
- Lack of clarity in voice.

Internet facility yet to become popular:

It is revealed in the study that only one fifth of the existing customers were able to make use of internet facility offered by Airtel. Only computer literates were able to get into the technicalities of the operation and the non-computer literates did not evince interest in invoking the facilitation. The usage of internet facility is bound to grow along with increase in computer literacy.
SUGGESTIONS

After in-depth study of the topic, by way of reviewing the literature, identifying the research gap, gathering of the primary data from the sample respondents through the questionnaires and rigorous analysis of the data, the researcher would like to offer the following suggestions.

1. The people in backward rural areas are with low income generation. So in order to fulfill the intention of Government as well as of the company Airtel should make their plans more economical to all classes of people.

2. Airtel should chalk out special strategies such as reduction in charges, giving grace days for incoming calls after the validity period, better post paid facilities, special concessions to farmers and business class categories to further increase their market share.

3. The Airtel should make new and lucrative strategies and schemes separately for students and pensioners categories to make them possessive of its services.

4. It is suggested to the government to increase the ceiling of Foreign Direct Investments (FDI) in the telecom sector from 74 percent to 100 percent to increase the telecom service penetration and rural tele-density.

5. The Airtel should focus more on music and theme of advertising than spending on the brand ambassador.
6. Telecom Disputes Settlement and Appellate Tribunal (TDSAT) should be strengthened to provide for speedy disposal of grievances of the telecom consumers.

7. At present, there are innumerable number of tariff plans which are creating confusion in the minds of consumers. Therefore, it is suggested that there should be minimum number of concrete tariff plans per service provider to avoid overlapping and confusion in the minds of the users.

8. Airtel has no doubt shown an immense interest in rural penetration through installations of high power transmission towers, but it should take steps towards the proper functioning of new towers.

9. To increase the ARPU, the Airtel must have the user based, customized package of services. Different tariff plans should be evolved and implemented for the Government employees, hospitals, teachers, women entrepreneurs and rural and urban users. This enhances customer base and controls falling Average Revenue Per User (ARPU).

10. It is suggested that Airtel should further strengthen the quality and value added services to enhance customer base.

11. Airtel has to increase transparency in post-paid billing system by clearly briefing out reasons for the various billing charges. It is better to offer some kind of financial warranty for postpaid connections.
12. Airtel should also concentrate on mobilizing more post-paid customer by setting up more retail outlets in important places.

13. To make the service provider more versatile and formidable global players, it is suggested that the firm should go for more and more innovative products to chalk out brand building exercises.

14. It is suggested that, free telecom services with incoming facility to receive that calls must be made available at all Government schools and colleges, Government hospitals and nursing homes and charity institutions. The outgoing utility of these services may be charged at lower rates.

15. It is observed that a large gap exists between technological upgradations and technological obsolescence in the sector. This calls for proactive policy measures.

16. Consumers have expressed that many times about their experience of low network in major cities and towns. Hence, Airtel service authorities have to pay immediate attention to see that network facility must be available not only in cities and towns but also in rural areas.

17. Most of the population in developing countries like Indian live in rural areas and are often isolated. Access to information and technologies is essential for development of such areas. Hence, Airtel authorities must look forward to improve its quality services in the rural areas. Small
businessmen in rural area are often travel significant distances to market or other places to distribute their goods. Mobile phones could significantly change the logistical issues faced by rural traders and home entrepreneurs by affording mobile based ordering systems.

Some other suggestions for the betterment of Airtel services came in the form of need for reduction in the roaming charges, installation of additional towers in appropriate places with a view to providing full network facility, provision of Airtel connection facility at concessional rates to senior citizens, physically handicapped persons, agriculturalists and weaker sections and reduction in outgoing call costs.

CONCLUSION

In the light of various findings of this study, the obvious conclusion is that though Airtel has been able to meet the aspirations of its customers in general, there are still some areas of concern, which the company may concentrate to beget the best possible satisfaction of its customers. With the widening market segment of Airtel, the need for catering to the needs of its customers has become a far more necessity at present. Consumers’ reactions to some lapses in the service system must be taken cognizance of the Airtel authorities and thus they should endeavor to serve the needs of the customers.